

1 IN THE UNITED STATES DISTRICT COURT

2 FOR THE SOUTHERN DISTRICT OF TEXAS

3 LAREDO DIVISION

4 UNITED STATES OF AMERICA § CASE NOS. 5:17-CR-560-11
5 § 5:17-CR-560-12
6 VERSUS § 5:17-CR-560-13
7 § LAREDO, TEXAS
8 RAVINDER REDDY GUDIPATI (11) § THURSDAY,
9 HARSH JAGGI (12) § JANUARY 10, 2019
10 NEERU JAGGI (13) § 8:28 A.M. TO 5:15 P.M.

11
12 PRE-TRIAL CONFERENCE;
13 JURY TRIAL DAY TWO
14 (PARTIAL TRANSCRIPT)

15 BEFORE THE HONORABLE MARINA GARCIA MARMOLEJO
16 UNITED STATES DISTRICT JUDGE

17 APPEARANCES: SEE NEXT PAGE
18 ELECTRONIC RECORDING OFFICER: EDGAR HERNANDEZ
19 CASE MANAGER: ANGIE TREVINO
20 OFFICIAL INTERPRETERS: ANA KOENCY
21 RAUL GONZALEZ
22 MEENU BATRA
23 REKHA GUPTA

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IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF TEXAS

LAREDO DIVISION

UNITED STATES OF AMERICA \$ CASE NOS. 5:17-CR-560-5
 \$ 5:17-CR-560-6
VERSUS \$ 5:17-CR-560-8
 \$
ADRIANA ALEJANDRA \$ LAREDO, TEXAS
GALVAN-CONSTANTINI (5) \$ THURSDAY,
LUIS MONTES-PATINO (6) \$ JANUARY 10, 2019
ADRIAN ARCINIEGA-HERNANDEZ (8) \$ 8:28 A.M. TO 5:15 P.M.

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WITNESS: Direct Cross Redirect Recross

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Voir Dire

By Mr. O.J. Pena 175

EXHIBITS: Marked Offered Received

Exhibits were pre-admitted.

1 LAREDO, TEXAS; THURSDAY, JANUARY 10, 2019; 8:28 A.M.

2 (Official Interpreters utilized for translation.)

3 (Outside the presence of the jury.)

4 THE CLERK: All rise.

5 (CALL TO ORDER OF THE COURT)

6 THE COURT: Thank you. Please be seated.

7 (Pause in the proceedings.)

8 THE COURT: All right. Good morning everyone. We
9 are back on the Record in Cause No. 5:17-CR-560. I'm
10 looking around the room. It looks like everyone is present.

11 Is that correct? Counsel, you missing anybody?

12 MR. BALLI: No, Your Honor. Everybody's here.

13 THE COURT: Great.

14 Are the headsets working? Can everybody hear the
15 Interpreters?

16 (No audible response.)

17 THE COURT: Mr. Hernandez is nodding yes. That's
18 our Spanish Interpreter.

19 And as to our Hindi Interpreters, Mr. and
20 Ms. Jaggi and Mr. Gudipati?

21 (No audible response.)

22 All right. Thank you.

23 And Mr. Pena Sr. is adjusting his English --
24 Mr. McCrum are you going to be using one today or no?

25 MR. MICHAEL MCCRUM: I'd like to have one

1 available, Judge, please.

2 THE COURT: All right, that's fine. We'll hand
3 one to you as well.

4 (Court confers with the Clerk.)

5 MR. MICHAEL MCCRUM: Judge, with respect to your
6 client's adult children, they are on our witness list, are
7 they excused from the rule for opening statements or are
8 they under the rule? I just can't recall.

9 THE COURT: That usually depends on the parties.
10 I've had people argue that they shouldn't be here because of
11 what's discussed in opening, but I don't know.

12 Government, what is your position on that?

13 MR. MORENO: I don't think we have any objections
14 being present until the testimony starts.

15 THE COURT: Okay. So, that would be, again, for
16 both sides. If anybody wants to be here for openings,
17 that'll be okay.

18 All right. Anything we need to cover before we
19 get started?

20 (No audible response.)

21 THE COURT: No?

22 I guess that I will remind all the lawyers if we
23 have any kind of medical emergency, obviously don't ask
24 permission to approach the bench. Just run up, approach the
25 bench and have me call 9-1-1 if it is a true emergency. It

1 is another type of situation like we had the other day, then
2 let me know as quickly as, you know, you become aware of the
3 situation so that we can excuse the jury out of the room and
4 call the medic.

5 But you all saw what happened last time; I don't
6 even know that we have a medic in the building. And so, if
7 there really is a situation that requires medical attention
8 and we need to excuse the jury, just stand up and say,
9 "Judge, may we excuse the jury from the room?" or, you know,
10 approach and we'll excuse the jury, but I want to make sure
11 that we deal with those matters as efficiently, you know, as
12 we can.

13 I don't feel like we did that last time, but last
14 time I think, you know, Ms. Jaggi had hurt herself in the
15 morning. I wasn't aware of it. You know, I think she sat
16 there with bandages and by the time I was notified that she
17 was bleeding, I was still asked to just get her some more
18 bandages and Tylenol.

19 And so, we really have got to assess these
20 situations better and I can't do it without your help. And
21 so, when things like that happen, I'm relying on you all to
22 let me know. Please.

23 Ms. Jaggi, how is your hand? Is it fine now?

24 DEFENDANT NEERU JAGGI: Yes.

25 THE COURT: Okay, ma'am. Thank you.

1 COURT INTERPRETER: Your Honor, may we have a
2 second? I believe we're having problems with the headset.

3 THE COURT: You're having problems with the
4 headset for Mr. Hernandez?

5 COURT INTERPRETER: Yes.

6 THE COURT: Okay, thank you.

7 Government, you had asked that the Court consider
8 not having trial tomorrow and I think I put out a notice
9 saying that there's not going to be any trial on Friday.
10 I'm standing by that, so don't worry. We don't have trial
11 tomorrow, but what I'm wondering is, are you all flying out
12 tonight or do you leave until tomorrow? Because flights are
13 limited, so.

14 MR. MORENO: Unless we finish, like, at 3:00 so we
15 can make the last 4:00 o'clock flight, there's no way --

16 THE COURT: Okay.

17 MR. MORENO: -- I think they could make it out
18 there.

19 THE COURT: Right.

20 MR. MORENO: So, they have to fly out in the
21 morning.

22 THE COURT: Okay, but they are flying out?

23 MR. MORENO: Some of them, I believe are. I don't
24 know if all of them.

25 THE COURT: Okay.

1 MR. MORENO: And some of the witnesses, too.

2 THE COURT: Right. And I know that we have local
3 counsel, we have out of town counsel, so I'm sure
4 everybody's already made arrangements so I'm not bringing
5 anybody in tomorrow.

6 Mr. Patino also has a headset.

7 Can you hear, Mr. Patino?

8 (No audible response.)

9 THE COURT: He indicated yes.

10 Ms. Trevino, let's go through -- we had already
11 talked about how much time everybody had asked for and I had
12 given them.

13 I'll ask you all to police your own time.

14 Let's just go through the minutes.

15 MS. TREVINO: These are for on Monday, Judge. In
16 reference to the opening statements, the two McCrums and
17 Mr. Castillo did ask for 45 minutes, Mr. Oscar O. Pena, Sr.,
18 and Mr. Balli had requested 15 minutes, the Court did
19 mention 30 minutes --

20 THE COURT: They get 30 minutes for the ones that
21 asked for 45 is the way I recall, but do you all have
22 another interpretation?

23 (No audible response.)

24 THE COURT: I think those of you that said 15, I
25 said that's fine, 15. Those of you that said 45, I said 30.

1 MR. O.J. PENA: Your Honor, may I amend my request
2 and ask for a little bit more time. I had originally said
3 15. I wrote down my outline yesterday and I believe that it
4 might take a little bit longer. I would say maybe about
5 20 minutes roughly, Your Honor.

6 THE COURT: That's fine.

7 MR. O.J. PENA: Thank you, Your Honor.

8 THE COURT: Government, you're sticking to 15?

9 MS. WILLIAMSON: I would say approximately
10 15 minutes, Your Honor. I would ask the Court's indulgence
11 if it becomes 16.

12 THE COURT: That's fine.

13 MS. WILLIAMSON: But I don't expect it to go much
14 further than that.

15 THE COURT: You're fine. Okay.

16 As for as equipment is concerned, does everybody
17 have their equipment ready to go? It seemed to work fine
18 when everybody was switching over to the PowerPoints.

19 Have you all tested it this morning?

20 MR. BALLI: I haven't, but what I was told was
21 that as long as you put that cable in, it should be ready to
22 go and it worked yesterday that way.

23 THE COURT: So, it's as simple as plugging in a
24 cable then?

25 MR. BALLI: It is. It used to be you had to

1 connect, but now you don't.

2 THE COURT: Every table has that cable, I guess?

3 MS. TREVINO: And only one can be connected per
4 table. So, they have to switch.

5 THE COURT: So, one per table? So, one of you
6 finishes then it goes to the next person?

7 MR. BALLI: Yes.

8 THE COURT: Okay.

9 As you all know, Defense, you're not required to
10 deliver opening statements. I take it all of you are going
11 to. And so, give me your line up so that I can invite you
12 up by name.

13 Who's going to be up first?

14 MR. O.J. PENA: I will go first, Your Honor.
15 That's Oscar Pena, for the Record.

16 THE COURT: All right.

17 Who's second?

18 MR. BALLI: I'll go second.

19 THE COURT: All right.

20 Third?

21 MR. SCOTT MCCRUM: I'll go third, Your Honor.

22 THE COURT: Fourth? Do we have a fourth?

23 MR. O.O. PENA SR.: I'll go fourth.

24 THE COURT: Mr. Pena Sr. Yes, sir.

25 Fifth?

1 MR. CASTILLO: I'll go fifth, Judge.

2 THE COURT: And that only leaves one person. All
3 right. So, Michael McCrum will go last. Okay, thank you.

4 And Ms. Williamson, since I've been talking to you
5 about the time, you're going to deliver the opening
6 statement for the Government.

7 MS. WILLIAMSON: I am, Your Honor.

8 I have a demonstrative that I intend to put on the
9 ELMO during the opening statement. May I approach to make
10 sure that it's properly done?

11 THE COURT: Yes, ma'am.

12 MS. WILLIAMSON: I have shared it with defense
13 counsel.

14 THE COURT: Yes, you may.

15 MS. WILLIAMSON: Thank you.

16 (Counsel confer.)

17 MS. WILLIAMSON: Thank you.

18 THE COURT: You're welcome.

19 I will also tell all of you, there's a lot of
20 exhibits that have been pre-admitted. Just a reminder, when
21 you put them up on the screen, reference them for the
22 record. Just say, you know, "On the screen is now Exhibit
23 whatever it is," so that the Record stays clean. You don't
24 have to ask permission to approach the ELMO, just approach
25 it as necessary.

1 I'm trying to think is there anything else? I
2 guess regarding opening statements, remember they're not
3 arguments. It's a road map. If you object to each other's
4 opening statements, you'll have to approach the bench. So,
5 I'll leave that up to all of you.

6 I trust that you're not going to agree as to
7 respective road maps and what they're going to mean or not
8 mean, but if you believe someone is saying something
9 improper, you know, for example, someone is shifting the
10 burden or they're saying something that you are compelled to
11 object to, feel free to do your job, but it will require
12 that you approach and so that is going to interrupt the flow
13 of your respective arguments. But again, I'll leave that up
14 to you.

15 Do we have all the jurors here yet?

16 (Court confers with the Clerk.)

17 THE COURT: Okay. And I told them 8:45 so they're
18 still on time here.

19 I just thought we would have more to talk about.

20 MALE SPEAKER: If we're done, Your Honor, can I
21 step out for a couple of minutes?

22 THE COURT: Yes. Go ahead, sir.

23 MALE SPEAKER: Thank you.

24 (Court confers with the Clerk.)

25 THE COURT: All right. Thank you, Ms. Trevino.

1 Ms. Trevino to remind you all, and I think it's a
2 valid point, that, obviously, you all can no longer use the
3 restrooms over here because of the jury. You know, these
4 are now their restrooms. And so, use the restrooms out in
5 the hallways. That is a valid matter, sometimes we take
6 things for granted or get used to doing something or other.

7 Okay, we're waiting for one. She still has five
8 minutes to make it in.

9 (Pause in the proceedings.)

10 THE COURT: I see the two Hindi Interpreters are
11 way in the back.

12 The range, I know you all have tested the range,
13 it's good?

14 COURT INTERPRETER: Yes, Your Honor.

15 THE COURT: Okay, perfect.

16 (Pause in the proceedings.)

17 THE COURT: In case anybody is wondering who the
18 young man is in the blue suit over there -- Mr. Chappa, if
19 you'll stand -- he is a college student. He's one of my
20 interns and he thinks he's applying to law school. In fact,
21 he's pretty convinced he's going to be applying to law
22 school.

23 Is that correct, Mr. Chappa?

24 MR. CHAPPA: That's correct.

25 THE COURT: Okay. So, welcome.

1 And he was very impressed by all of you yesterday.
2 He's very glad to be here.

3 MALE SPEAKER: May I get some coffee, Your Honor?

4 THE COURT: Yes, sir.

5 (Pause in the proceedings.)

6 THE COURT: I'm going to give all my staff extra
7 days off after this trial, I think. Mr. Youst (phonetic)
8 has been making coffee like three times a day and
9 Ms. Trevino, also, is just very helpful to all of you guys.

10 MR. MORENO: Judge, just for planning purposes, I
11 guess, if everybody uses their time on the openings and
12 maybe take a 10-minute break about 11:45, does the Court
13 expect to start testimony then or take a lunch break first
14 and then start testimony?

15 THE COURT: No, we'll take a lunch break and then
16 we'll start testimony.

17 MR. MORENO: Thank you, Your Honor.

18 (Court confers with the Clerk.)

19 MR. O.O. PENA: May I get some water, Your Honor?

20 THE COURT: Yes, Mr. Pena.

21 If anybody happens to run into Judge Song today, I
22 don't know that you would, but today is her birthday.

23 MR. SCOTT MCCRUM: Why would she be here today
24 then, Your Honor?

25 THE COURT: Because we work on our birthdays,

1 Mr. McCrum. And we're going to have a little luncheon for
2 her here at noon anyway, so.

3 And after you hit a certain age, you're not
4 terribly excited about another birthday anyway. And she's
5 young, she's young but still, you know what I mean.

6 MR. DEL RIO: I'm not there yet, Your Honor.

7 THE COURT: You're not quite there yet, Mr. Del
8 Rio?

9 MR. DEL RIO: No, Your Honor.

10 THE COURT: You look forward to all your
11 birthdays?

12 MR. DEL RIO: Absolutely. Ten minutes for
13 opening.

14 THE COURT: Yeah. Wait till you hit 40, that'll
15 change.

16 (Pause in the proceedings.)

17 THE COURT: Everyone's here? Perfect.

18 All right, let's go. Everybody's back in the
19 room? I think so. Let's go ahead and bring the jury out.

20 (Pause in the proceedings.)

21 THE COURT: They're in the elevators? Oh, okay.
22 I thought they were ready to come out. That's fine.
23 Doesn't hurt to stand a little.

24 We're going to have to do something about this.
25 At some point, we're going to have to have working stations,

1 standing stations or something because I think it's hard on
2 everyone to sit all day.

3 MALE SPEAKER: Or they have the desks, you know,
4 that elevate.

5 THE COURT: Right.

6 So, after we get the microphones --

7 THE COURT: Let's work on the microphones first
8 and then we'll work on --

9 MALE SPEAKER: We can start with the chairs
10 reaching over to the desk. They keep getting lower and
11 lower.

12 THE COURT: Oh, we need to work on the chairs,
13 too?

14 MALE SPEAKER: Not if we want to stay away from
15 the chairs.

16 THE COURT: That's right. Well, I guess he wants
17 the option of having a chair, too, though.

18 (Pause in the proceedings.)

19 THE COURT: J.J., are you here just in case
20 something goes wrong?

21 J.J.: Yes, I adjusted the microphones, so if you
22 want to wait a little bit?

23 THE COURT: That's fine. You're welcome to stay.
24 Thank you.

25 (Pause in the proceedings.)

1 THE COURT: We're going to take a picture of you
2 guys. Judge Saldana, remember the case used to belong to
3 her? She wanted to see how packed we all were in here.

4 THE CLERK: All rise.

5 (Jury enters courtroom at 8:50 a.m.)

6 (Excerpt 8:50 to 11:22 a.m. previously transcribed can
7 be found at Docket 375.)

8 THE COURT: All right. Well, it is 11:20.
9 Ladies and gentlemen, let me go ahead and excuse you to the
10 jury room. I need to talk to the lawyers and we're either
11 going to bring you back out and start testimony or we're
12 going to break for lunch. Thank you.

13 THE CLERK: All rise.

14 (Jury exits courtroom at 11:23 a.m.)

15 (Outside the presence of the jury.)

16 THE COURT: All right, the jury is now out of the
17 room.

18 And Government, who is the first witness going to
19 be? Is it going to be Mr. Lozano?

20 MS. WILLIAMSON: Yes, it is, Your Honor.

21 THE COURT: Okay. So, let's start up testimony
22 with Agent Lozano at 11:30. We can at least get half an
23 hour before we break for lunch. Let's take a 10-minute
24 recess and we'll commence.

25 MR. BALLI: Judge, can I small request?

1 THE COURT: Yes.

2 MR. BALLI: The request is this, during opening
3 statements when I had the Interpreters, there's two? When
4 the Interpreter closest to me is interpreting, it's
5 difficult for me to hear. When the Interpreter farthest
6 from me is interpreting, it's not. And so, it didn't matter
7 during opening, but during witness questions, especially,
8 Lozano, it will be very important to hear and so I would
9 just ask that the speaker switch places.

10 THE COURT: That's fine. I'm sure they will
11 accommodate you.

12 All right. Ten-minute break. We'll start up
13 with Agent Lozano at 11:30 a.m. Thank you.

14 (Recess taken from 11:24 a.m. to 11:30 a.m.)

15 AFTER RECESS

16 (Outside the presence of the jury.)

17 THE CLERK: All rise.

18 THE COURT: Thank you. You may be seated.

19 MALE SPEAKER: We need a few minutes, then we'll
20 be finished setting up.

21 (Pause in the proceedings.)

22 THE COURT: All right, everybody. We're going to
23 get started again. I'm going to bring the jurors back.
24 Just give me a moment.

25 Government, a couple of things. Again, reminder,

1 if you're referring to specific exhibits, make reference to
2 the number before you publish and maybe do a little heads up
3 as to what the particular exhibit is in case anybody wants
4 to request a cautionary or wants to raise anything else.
5 That way they know what you're about to get into.

6 Are you ready?

7 MS. WILLIAMSON: For the exhibits that have been
8 pre-admitted, do I need to ask the Court's permission to
9 publish them?

10 THE COURT: No, the ones that have been
11 pre-admitted, you can publish. They're already in evidence.
12 I'm just suggesting that you say, you know, to your
13 witness, --

14 MS. WILLIAMSON: Yes.

15 THE COURT: -- "I'm not going to talk to you
16 about Exhibit 21, which appears to be a call between this
17 person and that person." That will alert the Defense
18 exactly which one we're talking about.

19 And Defense, if at that point you believe a
20 cautionary is merited, warranted, then get up and let me
21 know.

22 MS. WILLIAMSON: Thank you, Your Honor.

23 THE COURT: Also, Government, another caution.
24 Begin with your non-hearsay testimony before you get into
25 any hearsay testimony.

1 MS. WILLIAMSON: Yes, Your Honor.

2 THE COURT: And that what's the case law requires
3 that you all do.

4 Anything else from anyone before we bring the
5 jury in?

6 (No audible response.)

7 THE COURT: All right. I'm not hearing anything
8 from anyone, so let's bring the jury in.

9 (Pause in the proceedings.)

10 THE COURT: Mr. Scott McCrum, at one point when
11 you were delivering your opening statement, I saw your
12 client did not have a headset, was that intentional?

13 MR. SCOTT MCCRUM: He takes it off now and then.

14 THE COURT: Okay.

15 MR. SCOTT MCCRUM: Thank you.

16 THE COURT: But he chooses to take it off?

17 MR. SCOTT MCCRUM: That's correct.

18 THE COURT: All right. I didn't want to
19 interrupt you to point out that he didn't have the headset,
20 but.

21 MR. SCOTT MCCRUM: Yes.

22 THE COURT: Okay.

23 MR. SCOTT MCCRUM: No, he takes it off. He's
24 fine, thank you.

25 THE CLERK: All rise.

1 (Jury enters the courtroom at 11:39 a.m.)

2 THE COURT: Thank you, ladies and gentlemen.

3 Please be seated.

4 And everyone else may be seated.

5 All right, ladies and gentlemen, what you heard
6 were the opening statements by the lawyers, with one lawyer
7 who reserved an opening statement. I remind that opening
8 statements are not evidence. You have not yet heard any
9 evidence. Not to say they're not important, I know you were
10 paying attention as you should, but we will now begin with
11 the part of the trial where witnesses are called and you'll
12 start to hear evidence in the case.

13 Government, are you ready to call your first
14 witness as this time?

15 MS. WILLIAMSON: Yes, Your Honor, we are.

16 Government calls Task Force Officer Francisco
17 Lozano.

18 THE COURT: All right. Officer Lozano, make your
19 way to the front. Stand in front of the microphone and
20 raise right hand to be sworn.

21 (Witness sworn.)

22 THE WITNESS: I do.

23 THE COURT: All right, sir. If you will have a
24 seat right over here. Make sure that you adjust the
25 microphone so that we can all hear you clearly. Thank you.

1 And you may begin, Counsel, whenever you're
2 ready.

3 DIRECT EXAMINATION OF FRANCISCO LOZANO
4 BY MS. WILLIAMSON:

5 Q. Good morning.

6 A. Good morning.

7 Q. Would you please state your name and spell your
8 first and last name for the Record?

9 A. It's Francisco Lozano. Francisco is
10 F-R-A-N-C-I-S-C-O, Lozano is L-O-Z-A-N-O.

11 Q. Where do you work, sir?

12 A. I work with the District Attorney's Office and
13 I'm assigned to the Drug Enforcement Administration as a
14 Task Force Officer.

15 Q. How long have you been a law enforcement officer?

16 A. I started my career in 2005 with the Webb County
17 Sheriff's Office.

18 Q. And could you explain to the jury what kinds of
19 cases you've mainly investigated during the course of your
20 law enforcement career?

21 A. Back whenever I started, I started on patrol.
22 So, I patrolled the whole Webb County and just traffic
23 violations and responding to emergencies.

24 Q. And in your subsequent roles, what kind of cases
25 have you investigated?

1 A. In 2006, I was moved to a different department
2 within the Sheriff's Office. I started working for a group
3 called Crime Stoppers and our main -- I, basically, became
4 an investigator, but I didn't get the title. I started
5 investigating narcotics and any type of call that came in
6 through Crime Stoppers, fugitives, stolen items. Basically,
7 that's all I've worked.

8 And from April 2006 to April 2009, that's what I
9 worked on, Crime Stoppers. Mainly investigating narcotics.
10 And within those investigations, again, we seized narcotics,
11 we seized money from stash houses, we were able to
12 confiscate stolen items from people and arrest felons.

13 And in April 2009, I then transferred over to the
14 District Attorney and got deputized as a Task Force Officer
15 within DEA

16 Q. What are your duties and responsibilities as a
17 DEA Task Force Officer?

18 A. To conduct narcotics investigations, money
19 laundering investigations, investigate cartels, investigate,
20 also, money laundering organizations.

21 Q. Have you received any on the job training or
22 experience as regards to the money laundering investigations
23 you described?

24 A. Yes, DEA has provided training for us.

25 Q. Could you briefly describe the kind of training

1 you've had on that subject?

2 A. I forget the span of time, but they teach us what
3 to look for, what the structuring is, how people -- how
4 money is hidden within vehicles that travel down to the
5 border, they teach us how schemes that are used to layer
6 money to make it look clean.

7 Q. You said the word "structure" and not everyone
8 might be familiar with it in context.

9 Could you explain what you mean by that?

10 A. In the banking system, if you don't want the
11 Government to be investigating you for receiving large
12 amounts of cash, you structure your money. You know, some
13 people call it, there was a term also used. It was called
14 "Smurfing." Right? Because if you think about the Smurf,
15 there's several thousands of them in the thought process and
16 all of them bring in small quantities of money to get the,
17 let's say, \$20,000 into a bank account. So, you'll send
18 \$500 at a time to eventually equal the \$20,000 that you want
19 to pay me. So, you send several different people. You
20 know, \$20,000 is just an example I thought of.

21 Q. In the course of your work, have you become aware
22 of any other common themes or methods in cases such as the
23 one you're testifying about today?

24 A. Yes.

25 Q. Could you briefly explain?

1 A. It would be the Black Vessel Market Exchange.

2 Q. Can we agree to abbreviate that as BMPE, Black
3 Market Peso Exchange?

4 A. Yes, BMPE.

5 Q. Could you briefly explain to the jury what a BMPE
6 is?

7 A. Yes, with a BMPE, what occurs is that in Mexico
8 you get a peso broker and that peso broker in this
9 investigation they identify it as Ippolito Ochoa-Rivera and
10 his nickname was Tio Polo. And his main thing was to act
11 like an agent with cartels, with drug traffickers. He would
12 get information of where there is money in the U.S. that's
13 been generated through drug sales.

14 So, he then tells the cartels, the drug
15 traffickers, "Hey, I can get that money down to you in
16 Mexico without having to cross the border. There's no money
17 really crossing the border. There's money in the U.S. and I
18 can it to you here in Mexico a lot faster without you having
19 to risk it bringing your drug dollars down," you know,
20 because a lot of these drug money is not on the border when
21 it starts off. It starts off where the bigger sales are.
22 You know you got the bigger cities, Chicago, New York,
23 that's where the drug money is at.

24 So, what -- I'm going to call him Tio Polo, what
25 he does, he then gets money couriers, that we identified

1 also in this investigation, like Adriana Galvan and Luis
2 Patino. Tio Polo hires them to go pick up the money in,
3 I'll just say, for example, North Carolina. They go up to
4 North Carolina, pick up the money, that money is then
5 brought down to the border. Then we obtained a Confidential
6 Source.

7 THE COURT: I'm sorry. Hold on a second.

8 MR. MICHAEL MCCRUM: Judge, can we approach the
9 bench?

10 THE COURT: Is the objection narrative?

11 MR. MICHAEL MCCRUM: That's one of them.

12 THE COURT: All right. Yes.

13 MR. BALLI: And hearsay.

14 THE COURT: You may approach.

15 (Bench conference begins at 11:48 a.m.)

16 MS. WILLIAMSON: I can certainly break up this
17 testimony.

18 THE COURT: What is the other objection?

19 MR. BALLI: Judge, as you know, we were still
20 supposed to have a Daubert hearing on the nature of these
21 organizations and how it may relate to this and whether or
22 not there's a valid to prove that up. He's not just frankly
23 describing a link in this alleged scheme to the specific
24 parties in this case. And so, he's linking it and the very
25 thing that the expert is allegedly going to but we haven't

1 had a Daubert hearing on it.

2 THE COURT: All right. I would say the same
3 thing. I thought at the hearing, I thought he was the
4 expert and then (indiscernible) it's somebody else.

5 MR. GOMEZ: Agent Gogley.

6 THE COURT: I will tell you all, Government, it's
7 one thing for him to say, "Look, I'm trained to conduct
8 investigation involving money, the movement of money. The
9 BMPE is generally this," but he's going too far. And I'll
10 tell you this, if you want to do this with this witness then
11 we can have the Daubert hearing with him, but I'm not going
12 to allow him and the expert to basically say the same
13 thing."

14 MS. WILLIAMSON: No, Your Honor, and I'll make
15 sure that he does not mention any of the Defendant's names.

16 THE COURT: Right, but I guess the point is if
17 he's now describing how these transactions work and how
18 moneys are concealed then he's really done nothing more than
19 to say, "I have some training doing this," and hasn't
20 elaborated beyond 30 seconds on what his training is or his
21 expertise.

22 And I will tell you that we're not going to have two
23 pseudo-experts and when you have an agent, people think of
24 them as experts whether you want to label him "expert." I
25 wasn't expecting this from him. I thought he was going to

1 say, "I'm a case agent. I've been looking at the facts of
2 this case, let's get right into the offense."

3 MR. MICHAEL MCCRUM: He's now being listed as an
4 expert and we didn't get notice of him as an expert?

5 MR. MORENO: He's not testifying as an expert.
6 He's describing what he did in the investigation and how it
7 works.

8 THE COURT: Right, but except we haven't gotten
9 to that part. If you want to take him through, "This is how
10 I'm familiar with how these schemes work and this is what I
11 did," get right to what he did.

12 MS. WILLIAMSON: Yes, Your Honor.

13 MR. MICHAEL MCCRUM: But when we start to go into
14 descriptions of, "People in Mexico say this and that,"
15 That's an extensive type of testimony that is expert in
16 nature.

17 THE COURT: Right, and so we're stopping that
18 right now.

19 MR. O.J. PENA: Your Honor, as to the Record, I
20 would ask that the testimony be stricken.

21 THE COURT: No, it's not going to be stricken.
22 You have all objected and I granted your objection and we're
23 moving on. Thank you.

24 (Bench conference ends at 11:50 a.m.)

25 BY MS. WILLIAMSON:

1 Q. Let's talk a little bit more about the basics of
2 this investigation before we get into the more confusing and
3 detailed aspects. And I'll start by asking you, do you
4 speak Spanish, Agent Lozano?

5 A. I do.

6 Q. Do you ever speak Spanish as part of your work?

7 A. I do.

8 Q. Was that important in this case?

9 A. Yes.

10 Q. Why is that?

11 A. The people we were dealing with spoke Spanish.

12 Q. So, what was your role in this investigation?

13 A. When the investigation started, whenever I became
14 part of the investigation back in March of 2012, I was asked
15 to assist in the recruitment of a Confidential Source.

16 Q. And why exactly were you interested in recruiting
17 a Confidential Source? What was it you were investigating
18 that you were looking for assistance on?

19 A. There was -- the information I received was that
20 there was a person that had received money from a --

21 BY MR. BALLI: Objection as to relevancy and
22 hearsay.

23 THE COURT: All right. Approach.

24 (Bench conference begins at 11:52 a.m.)

25 THE COURT: Tell me the specific question.

1 MS. WILLIAMSON: Why were you interested in
2 recruiting a Confidential Source for this investigation?

3 THE COURT: How is that not relevant, Mr. Balli?

4 MR. BALLI: Well, the agent starts to say the
5 answer is that he was told that there was some people, I
6 guess, laundering money or something to that effect, so he's
7 bringing in hearsay.

8 THE COURT: People don't recruit CIs just out of
9 the blue. They don't wake one day and say, "I think I'm
10 going to look for a CI." There has to be some context as to
11 what launched this investigation and why they began looking
12 for a cooperator.

13 Can you do that in a way where you avoid hearsay?
14 In other words, is there just come background?

15 MS. WILLIAMSON: Other than background, he had to
16 have conversation with someone --

17 THE COURT: Right. Without saying what that
18 person may have said to him.

19 MS. WILLIAMSON: I do not intend to get into
20 specifics.

21 THE COURT: We became aware that A, B, C, and D
22 without saying, "I spoke to this person and this is what
23 they told me."

24 MS. WILLIAMSON: Yes, Your Honor.

25 MR. BALLI: And just the reason I bring it up,

1 too, is because in opening we had a similar remark about we
2 had information with the DA to go follow this plan.

3 THE COURT: Right, but that's legitimate
4 contextual background. You all have described this CS as
5 being married to the Government. They're about to say how
6 it is that they entered into this marriage.

7 MR. BALLI: Okay.

8 THE COURT: Thank you.

9 (Bench conference ends at 11:54 a.m.)

10 THE COURT: And ladies and gentlemen, you know, I
11 know we talked to you about this at the two days of jury
12 selection, we're not doing anything secretive up here, but
13 remember I'm the judge of the law and I have to decide what
14 you can lawfully consider and there's, you know, a lot of
15 different rules and so that's what we're doing up here.
16 We're just going through the different rules, making sure
17 that the way the testimony is presented and what is
18 presented actually meets muster for our rules.

19 So, go ahead.

20 BY MS. WILLIAMSON:

21 Q. So, the question I had asked, Officer Lozano, and
22 without getting into any specific conversations you may have
23 had on the matter, was, what in general was happening in the
24 course of your investigation that make the DEA interested in
25 recruiting a Confidential Source? What were you looking for

1 assistance with?

2 A. To investigate a money laundering organization.

3 Q. And where did you believe that money laundering
4 organization was based?

5 A. In Mexico.

6 Q. Was Laredo, Texas also a hub of activity?

7 A. Yes.

8 Q. Is Laredo, Texas within the Southern District of
9 Texas?

10 A. Yes.

11 Q. So, was the DEA successful in recruiting a
12 Confidential Source?

13 A. Yes.

14 Q. How did the DEA establish contact with the person
15 who became that Confidential Source?

16 A. The initial contact?

17 Q. The initial contact of the Laredo office, the
18 investigation that you, yourself, participated in.

19 A. I was asked by my group supervisor to assist
20 Special Agent Stan Petri to conduct a traffic stop on a
21 potential source and we conducted that traffic stop and
22 approached the source.

23 Q. And roughly when was that?

24 A. In March of 2012.

25 Q. So, how did that traffic stop proceed?

1 A. We were in contact with each other using our
2 radios that we use for work, and I conducted the traffic
3 stop on the now source and approached the driver's side of
4 the vehicle, identified myself.

5 Q. What language were you speaking when you
6 identified yourself?

7 A. English.

8 Q. Did the Confidential Source appear -- did the
9 person appear to understand you?

10 A. No.

11 Q. So, if anything, did you do?

12 A. I reverted to speaking Spanish with the now
13 source.

14 Q. And did the person appear to understand you when
15 you were speaking in Spanish?

16 A. Yes.

17 Q. Did you continue to speak exclusively in Spanish
18 during your communications with this person on that day?

19 A. Yes.

20 Q. And did you seem to have any trouble
21 communicating with the person?

22 A. No, no problem.

23 Q. Did the person appear to have any trouble
24 understanding you when you were speaking Spanish?

25 A. No issues.

1 Q. All right. So, you began a traffic stop in
2 English, you switched to Spanish. What did you say at the
3 introductory part of the traffic stop?

4 A. That we had an investigation and we wanted to ask
5 the now source questions and if the person was willing to
6 come over to our office to conduct that interview.

7 Q. Did you learn that person's name?

8 A. Yes.

9 Q. What is that person's name?

10 A. Corina Blake.

11 Q. And was Ms. Blake willing to go with you to
12 answer some additional questions?

13 A. Yes, she came over to our office.

14 Q. What does the building where your office is look
15 like?

16 A. It's a six-story building.

17 Q. Is it more like this courthouse or more like a
18 generic office building, would you say?

19 A. I'd say more like a generic office building, but
20 I'm pretty sure that 99 percent of people in Laredo know
21 that it's a federal building.

22 Q. What kind of room were you in when you had this
23 discussion?

24 A. We have an interview room that we brought
25 Ms. Blake into.

1 Q. And how many law enforcement officers were
2 present, roughly speaking, during this conversation?

3 A. I believe there was three of us.

4 Q. Did you speak to the Confidential Source,
5 Ms. Blake, in Spanish during this meeting?

6 A. Yes.

7 Q. Was everything translated for her into Spanish?

8 A. Yes.

9 Q. About how long did the meeting go on?

10 A. I don't recall, but it had to have been at least
11 an hour.

12 Q. But far less than half a day, would you say?

13 A. Yeah.

14 Q. Not into the night, for example?

15 A. No.

16 Q. And what was the purpose of the meeting as far as
17 you were concerned?

18 A. For the recruitment of the Confidential Source.

19 Q. And as the conversation began, what was the kind
20 of questions you were asking?

21 A. I'm trying to remember.

22 Q. For example, did you ask Ms. Blake if she was, in
23 fact, involved in a money laundering organization?

24 A. Yes.

25 Q. And at the beginning of the conversation, as you

1 were starting to talk to Ms. Blake, what kinds of answers
2 was she giving?

3 A. At first, she denied knowledge.

4 Q. And did she ever change that denial during the
5 course of this meeting?

6 A. She did.

7 Q. And what kinds of information were you getting
8 from her by the end of this meeting about her potential
9 involvement with a money laundering organization?

10 A. That she would receive money from money couriers
11 and then that she would then distribute into Laredo-based
12 businesses.

13 Q. So, is it fair to say she was no longer denying
14 or minimizing her participation by the time you finished the
15 interview with her?

16 A. Correct.

17 Q. Is it common for people you interview about
18 potential involvement in criminal activity to start their
19 conversations with you by --

20 BY MR. BALLI: Objection as to relevancy and
21 improper questioning.

22 MS. WILLIAMSON: May I be heard on this, Your
23 Honor?

24 THE COURT: Yes, but come up to the bench.

25 (Bench conference begins at 12:00 p.m.)

1 THE COURT: I think you're going to go with, "Is
2 it common for people to start with denials?" You're
3 certainly not going to try to tie that back into any of the
4 Defendants, right?

5 MS. WILLIAMSON: No, Your Honor. It's one
6 questions that merely contextualizes for the jury.

7 THE COURT: People involvement and then they end
8 up admitting guilty.

9 MS. WILLIAMSON: Yes.

10 THE COURT: I think that's fair because I think
11 you all are going to challenge her credibility and you're
12 going to tell the jury first she lied. So, I think it's a
13 fair question but let me hear your objection.

14 MR. BALLI: Well, Your Honor, it's expert
15 testimony.

16 THE COURT: He has not been designated an
17 expert, he's an agent.

18 MR. BALLI: Right, but you would be allowing him
19 to be the judge of what's true and what's not true. He's
20 saying that they tell the truth, at first, they lie and then
21 they tell the truth. So, he's judging her by --

22 THE COURT: He's not going to say whether she
23 told the truth. The question is it common for people to
24 begin with denials.

25 MR. BALLI: But denials are lies and then --

1 THE COURT: We don't know that denials are lies.
2 (Indiscernible) getting to and then she told the truth.

3 MS. WILLIAMSON: No, I do not intend to ask him
4 this additional question on the subject.

5 THE COURT: Then she made statements or then she
6 made admissions but she's not going to say true, not true,
7 which I think their allowed to, you know, at some point she
8 gave a truthful account, but I'd rather stay away from his
9 opinion on truth or lies.

10 MS. WILLIAMSON: That is my intention, Your
11 Honor.

12 THE COURT: The question right now stands.

13 MR. BALLI: Actually it's the same thing and I
14 object.

15 (Bench conference ends at 12:02 p.m.)

16 BY MS. WILLIAMSON:

17 Q. Officer Lozano, the question is: In your
18 experience as a law enforcement officer, is it common for
19 people you interview about potential criminal activity to
20 begin their discussions with you by minimizing or denying
21 their roles in suspected criminal activity?

22 A. Yes.

23 Q. Sir, over the course of the rest of your
24 investigation into the suspected money laundering
25 organization, did you have very much interaction with

1 Ms. Blake?

2 A. Yes.

3 Q. Were there additional times in your investigation
4 when it seemed to you that Ms. Blake was hiding information
5 from you?

6 A. No.

7 Q. Did it seem to you, during the course of the rest
8 of your investigation, that Ms. Blake was describing her
9 role as less important than it appeared to you?

10 A. No.

11 Q. So, back to the first conversation you had with
12 Ms. Blake on March 19th, as you were asking questions, were
13 you gathering information from her about the money
14 laundering organization you were investigating?

15 A. Yes.

16 Q. What kinds of questions did you ask?

17 A. How does it -- what happens, like who calls you,
18 how do you get a call, how do you know who's calling you?
19 Just trying to get a basis of how this money laundering
20 organization works.

21 Q. Was she able to describe, for example, how she
22 moved money for the money laundering organization?

23 A. Yes.

24 Q. Was she able to give you the names of some people
25 she worked with?

1 A. Yes.

2 THE COURT: All right, Counsel. It's noon and I
3 think right now you've established that this is how he met
4 Ms. Blake. This might be a good stopping point for lunch.

5 I do have just two very brief questions regarding
6 what you already talked about.

7 When you conducted the traffic stop, do you
8 remember the approximate time?

9 THE WITNESS: It was, I think, a little bit
10 before lunchtime.

11 THE COURT: Before lunchtime? And then you said
12 that she willingly went with you to your offices?

13 THE WITNESS: Yes.

14 THE COURT: Okay.

15 And then, the interview itself, it was at least
16 an hour, but you're not sure how long the meeting lasted?

17 THE WITNESS: Correct.

18 THE COURT: Okay. Those are my brief questions
19 on that.

20 So, let's break right now for an hour for lunch
21 and we'll be back at 1:00 p.m. to continue with his
22 testimony. Thank you.

23 THE CLERK: All rise.

24 (Jury exits courtroom at 12:05 p.m.)

25 (Proceedings continue outside the presence of the

1 jury.)

2 THE COURT: All right, the jury is now out of the
3 room. Is there anything I need to consider or hear from
4 anyone before you all take your lunch break for an hour?
5 Anything?

6 (No audible response.)

7 THE COURT: No? Okay. Thank you.

8 (Lunch break taken from 12:05 p.m. to 1:00 p.m.)

9 AFTER RECESS

10 (Outside the presence of the jury.)

11 THE CLERK: All rise.

12 THE COURT: Thank you. Please be seated.

13 Can we bring the jury out?

14 MR. BALLI: Found a solution, Judge.

15 THE COURT: I'm sorry.

16 MR. BALLI: We found a solution to --

17 THE COURT: Oh, good.

18 MALE SPEAKER: Me, too.

19 MR. BALLI: -- The noise situation.

20 THE COURT: Okay.

21 FEMALE SPEAKER: It'll be very clear.

22 MR. BALLI: Yeah.

23 THE COURT: That's great.

24 Everybody ready?

25 FEMALE SPEAKER: Yes, Your Honor.

1 THE COURT: Okay. Let's go ahead and bring the
2 jury out.

3 THE CLEKR: All rise for the jury.

4 (Jury enters the courtroom at 1:01 p.m.)

5 THE COURT: Thank you, ladies and gentlemen.

6 All right. Everyone else may be seated.

7 Ms. Williamson, you may continue.

8 MS. WILLIAMSON: Thank you, Your Honor.

9 DIRECT EXAMINATION OF FRANCISCO LOZANO

10 BY MS. WILLIAMSON:

11 Q. Officer Lozano, before the lunch break, we were
12 discussing your initial meeting with the Confidential Source
13 and you had recently explained, I believe, the kinds of
14 questions that you asked during that meeting. Based on the
15 investigation she gave you, how would you describe her role
16 in the money laundering organization you were investigating?

17 A. She, in the organization, was a member that
18 received money brought in by money couriers and then she
19 either/or make a delivery of that money to a predetermined
20 location that she was directed to or she was instructed to
21 sell that money.

22 Q. And without specifically attaching a role to this
23 investigation, what is money courier in the context of a
24 money laundering organization?

25 A. Their responsibility is to go pick up money at a

1 location -- a predetermined location, a place that they've
2 already been instructed to go to, and to pick up that money
3 and bring it to wherever they want it be brought. In most
4 instances, it's to the U.S./Mexico border or straight into
5 Mexico.

6 Q. And you said that Ms. Blake, you discovered she
7 was also responsible for making deliveries. What was she
8 delivering?

9 A. Bulk cash.

10 Q. To whom was she delivering it, in general,
11 without naming any particular names?

12 A. To Mexico business owners, to local, Laredo-based
13 stores, and to a warehouse forwarding -- like a warehouse
14 and forwarding business.

15 Q. Through the course of your investigation, were
16 you able to fill in additional details about the structure
17 of the money laundering organization?

18 A. Yes.

19 Q. And was that consistent with a Black Market Peso
20 Exchange?

21 A. Yes.

22 Q. Now, before we move too much farther into this
23 particular money laundering organization, I want to briefly
24 revisit how the DEA, how you in particular as part of this
25 DEA investigation, became aware of Ms. Blake. Was there any

1 particular conduct that made you focus on her as a potential
2 target or cooperating source?

3 A. I wasn't the one to target the Confidential
4 Source, it was the agent before me and it was due to the
5 fact that there was an investigation where a controlled
6 delivery of cocaine was done to Tennessee and then the
7 payment was done for that cocaine and the money were brought
8 back down to San Antonio and part of that money was then
9 divided and approximately 180,000 were brought down to
10 Laredo where Ms. Blake picked up the money from a
11 tractor-trailer driver.

12 Q. So, specifically, what was Ms. Blake's role in
13 all that activity you just described?

14 A. To pick up the money from the tractor-trailer
15 driver, which would be a money courier.

16 Q. And did the DEA surveil that pickup?

17 A. Yes.

18 Q. And did Ms. Blake, in fact, pick up a large
19 amount of money?

20 A. Yes.

21 Q. And again, what amount of money was that?

22 A. Approximately 180,000.

23 Q. So, back to then your conversation with her that
24 resulted from those earlier incidents --

25 THE COURT: I'm sorry, Government. I would like

1 to know when that incident took place, the one you just
2 described, the \$180,000. What was the date?

3 THE WITNESS: I believe it was in August 2011.
4 Approximately around that.

5 THE COURT: August of when?

6 THE WITNESS: 2011.

7 THE COURT: 2011?

8 THE WITNESS: Yeah. I'm not sure on the month,
9 but I know it's within that. It might have even been
10 September. I don't remember the exact.

11 THE COURT: Okay, all right.

12 BY MS. WILLIAMSON:

13 Q. Did she give you the names of any people she was
14 working within the money laundering organization that you
15 were investigating?

16 A. At the initial briefing?

17 Q. Yes.

18 A. Yes.

19 Q. Who were the people she told you about?

20 A. She mentioned Alejandro Gomez, Tio Polo. At that
21 time, he was not identified.

22 Q. So, that was a nickname, Tio Polo?

23 A. Yeah, they used --

24 Q. An alias.

25 A. Yeah, she used that alias, Tio Polo. And

1 Adriana --

2 BY MR. SCOTT MCCRUM: Judge, I'll object to
3 further hearsay.

4 THE COURT: Overruled. Go ahead.

5 BY MS. WILLIAMSON:

6 Q. And what, if anything, did Ms. Blake tell you
7 about how she communicated with other people in the money
8 laundering organization?

9 A. The organization was --

10 MR. SCOTT MCCRUM: Excuse me.

11 THE COURT: I'm sorry. Hold on a second.

12 MR. SCOTT MCCRUM: That would be hearsay, Judge.

13 THE COURT: Why don't all of you approach for a
14 moment?

15 (Bench conference begins at 1:07 p.m.)

16 MS. WILLIAMSON: Your Honor, may I make an offer
17 of proof?

18 THE COURT: Yes.

19 MS. WILLIAMSON: The testimony is intended to
20 elicit that they communicated via phone and Push to Talk
21 radio and Officer Lozano will further testify later in his
22 direct that he then used those methods of communication with
23 members of the conspiracy.

24 THE COURT: I guess what he's saying is she's got
25 to make an offer to how is it that they go to Blake to all

1 of these individuals.

2 Can you do that though without eliciting
3 statements that she may have made?

4 MS. WILLIAMSON: Sure, Your Honor. I can ask for
5 his observations about her communications.

6 THE COURT: Okay. So, observations about
7 communications? All right.

8 (Bench conference ends at 1:08 p.m.)

9 BY MS. WILLIAMSON:

10 Q. Without jumping forward to the subject matter of
11 anything you observed, did there ever come a time when you
12 observed Ms. Blake communicating with members of the --
13 people you suspected were members of the money laundering
14 organization?

15 A. Yes.

16 Q. What methods of communication or method, as many
17 as there were, did you observe her using?

18 A. A Push to Talk cell phone device.

19 Q. What's Push to Talk?

20 A. It's similar to a Walkie-Talkie. It was a
21 service that, at that time, Sprint and Nextel were
22 providing.

23 Q. Have you ever used Push to Talk?

24 A. Yes.

25 Q. In what context?

1 A. We, actually, at DEA have had phones with the
2 same capabilities.

3 Q. And based on your use of Push to Talk, does a
4 Push to Talk subscriber have the equivalent of a phone
5 number?

6 A. Yes.

7 Q. What does such an identifier look like? Does it
8 look like a traditional phone number or does it look like
9 something else?

10 A. It looks like something else. The number, just
11 as an example, can be 123*45*6.

12 Q. And you said that you had observed Ms. Blake
13 communicating in Push to Talk?

14 A. Yes.

15 Q. Is the Push to Talk device she used, is it one
16 device with a cell phone or is it a separate device?

17 A. It's one device.

18 Q. So, does the same device also have cell phone
19 capabilities?

20 A. Yes.

21 Q. And did you ever observe Ms. Blake used the cell
22 phone portion of her device?

23 A. Rarely, but yes.

24 Q. Did you, yourself, ever use a traditional
25 cell phone with a traditional phone number during the course

1 of your investigation to communicate with members of the
2 money laundering organization?

3 A. Yes.

4 Q. So, Ms. Blake agreed to cooperate with you,
5 right?

6 A. Yes.

7 Q. Was there ever a written agreement about her
8 participation in your investigation?

9 A. Yes, there was.

10 Q. Did she have to fill out a form as part of that
11 written agreement?

12 A. She had to initialize the form. We call it a
13 Form 473.

14 Q. And generally speaking, what's the kind of
15 information contained in a Form -- 73 or 473?

16 A. 473.

17 Q. A 473 form.

18 A. You will report to your controlling agents, you
19 are not a police officer, don't break the law, no drug use.

20 Q. Who was her controlling agent in this
21 investigation to whom she was supposed to report?

22 A. I was.

23 Q. Could you describe the process of filling out the
24 form? Did she do it in your office, for example?

25 A. Yes. It would be myself in the presence of

1 another agent, there's always a witness. And we prove the
2 form and they read each of the instructions or the rules,
3 and then they initial next to the rule saying that they
4 understand it.

5 Q. And is that the process that you and another
6 officer followed in this case?

7 A. Yes.

8 Q. Did you, at any time, make any promises to
9 Ms. Blake that were not contained in the written agreement?

10 A. No.

11 Q. Did any other officer in your presence ever make
12 such promises?

13 A. No.

14 Q. And what was the length of the cooperation she
15 was agreeing under the terms of the agreement?

16 A. To give us the method of operation of the money
17 laundering organization.

18 Q. Did it have an end date?

19 A. The contract, the 473, has specific dates and, at
20 that point in time, whenever we signed the 473, I believe it
21 was a one-year contract, but then it's renewed.

22 Now, with a newer obligations that DEA makes us
23 do, it's every 90 days.

24 Q. But at the time that Ms. Blake began cooperating
25 with you, how long was she agreeing to cooperate for?

1 A. For one year.

2 Q. Did she continue to cooperate after that ine
3 year?

4 A. Yes.

5 Q. Approximately what was the total length of her
6 cooperation with the DEA?

7 A. She still currently is signed up with the DEA.
8 So, since March of 2012 to present day.

9 Q. Under the terms of the cooperation agreement, she
10 entered, was Ms. Blake going to be entitled to any money in
11 exchange for her cooperation?

12 A. I don't recall that there's a section on the 473
13 that talked specifically about that, but we did pay
14 Ms. Blake.

15 Q. Do you have an estimate as to the approximate
16 total amount of money she's received in exchange for her
17 cooperation with the DEA?

18 A. Approximately \$50,000.

19 Q. Over what period of time?

20 A. Since -- I don't remember the first date of the
21 payment, but it's approximately from March till maybe a year
22 ago.

23 Q. So, roughly six years?

24 A. Yes.

25 Q. And how did you determine or how did someone --

1 are you aware of how the determination was made that she
2 would receive a payment at a particular time?

3 A. It was something that between the case agents and
4 group supervisors made a decision on it. Even on the
5 amounts, also.

6 Q. During the course of her cooperation, did she
7 ever receive any additional money or gifts that you have not
8 yet described from anyone at the DEA?

9 A. No.

10 Q. And was there anything other than the money that
11 she stood to gain from her cooperation?

12 A. No.

13 Q. Was it possible that her exposure to the
14 consequences of her criminal activity would be limited or
15 non-existent if she cooperated? Which is to say was it a
16 possibility she would not be prosecuted due to her
17 cooperation?

18 A. Yes.

19 Q. After recruiting Ms. Blake as the Confidential
20 Source in your investigation, how did the DEA plan to
21 proceed with its investigation?

22 A. From the initial, we just were wanting to
23 understand what exactly the process is. We, kind of, had a
24 clue, but we wanted to see well, once a money courier comes
25 into contact with you, what happens next?

1 Q. So, did you instruct her to inform you of any
2 times that a courier contacted her?

3 A. Yes.

4 Q. Now, aside from recruiting a Confidential Source,
5 did the DEA use any other investigative methods to gather
6 evidence in this investigation?

7 A. Surveillance, part of the --

8 Q. What do you mean when you say surveillance?

9 A. When we conduct surveillance, we follow people
10 around, try to find out their daily routine to see, you
11 know, if we received information that they're selling drugs
12 or picking up money, we try to surveil them and find out
13 what exactly their routine is.

14 Q. What other methods, if any, were in play in this
15 investigation?

16 A. Part of the 473 again, going back to that, is we
17 ask that the CS try to have an agent infiltrate the
18 organizations.

19 Q. And did you, at some point, have a successful
20 infiltration of the money laundering organization?

21 A. Yes.

22 Q. And we'll get to that in time.

23 And what about wiretaps? We heard in opening
24 statement the word "wiretap," I think.

25 A. Yes.

1 Q. Can you tell the jury whether or not there were
2 wiretaps in this investigation?

3 A. Yes, we had wiretaps, which is an interception of
4 the cellular phone devices. So, any communications that
5 were done through the CS, there was what we called "a
6 consensual" because she's allowing us to intercept her phone
7 when she's making phone calls. So, we had that, and then we
8 also had agents get an authorized interception on two
9 individuals -- and two other interceptions we had through
10 Court Order.

11 Q. So, when you say "authorized," what you mean is
12 Court-ordered wiretap?

13 A. Yes.

14 Q. And who were those other two individuals on whom
15 you sought and received Court-ordered wiretaps?

16 A. It was Adriana Galvan-Constantini and Gabriel
17 Arturo-Castillo.

18 Q. Were you here for opening statements this
19 morning?

20 A. Yes.

21 Q. So, when you say Gabriel Arturo-Castillo, is that
22 the same person represented to be someone who worked with
23 Adrian Arciniega?

24 A. Yes.

25 Q. And would you describe the process you used to

1 get the consensual wiretap for Corina Blake's device?

2 A. What we do is that we have a form that says, "I'm
3 allowing special agents to intercept calls," and those
4 consensuals are like a one month or 30 days at a time. So,
5 every 30 days you have to renew it. And we then send that
6 form to -- I don't want to mess up their title, I think it's
7 Chief Council there at Houston DEA. They draft up a form
8 that they send out to -- for example, for the CS, it would
9 be Sprint. So, they would send a letter out to Sprint that
10 tells Sprint, "Please allow us to intercept these calls.
11 Here's all the proper paperwork."

12 And then, from Houston, what we call, they flip
13 the switch where we start listening in to the conversations.

14 Q. Were those conversations recorded?

15 A. Yes.

16 Q. And when you say you start listening into
17 conversations, does that include both conversations to the
18 phone number associated with the device, as well as the Push
19 to Talk associated with the device?

20 A. Yes.

21 Q. So, you were capturing both traditional
22 telephone, cell phone calls and also the radio, Push to Talk
23 communications?

24 A. Yes.

25 Q. And when did the DEA begin with its consensual

1 wiretap of the Confidential Source, approximately?

2 A. I think it was in April 2012.

3 Q. And approximately how long did that consensual
4 wiretap continue, if you look at all of the, I guess, 30-day
5 agreements that she entered into?

6 A. Approximately late December 2013 or early 2014.

7 Q. And you said that those conversations were
8 recorded. What's the process for making a recording? Is
9 that just part of the wiretap process?

10 A. Yeah, that's part of the system. The system is
11 located in Houston and then we have a similar system in our
12 office where we can just plug in. And let's say there's
13 calls 1 through 10 and I want to listen to call number 5.
14 You know, I go in, press 5, and listen to call number 5.

15 Q. And what happens to those recordings? For
16 example, are they archived or maintained?

17 A. Yes, Houston will archive those calls.

18 Q. Now, let's talk a little bit about the
19 nonconsensual wiretaps. You said you had two. Other than
20 seeking judicial authorization, is this sort of general
21 process and procedure similar to what you just described
22 with the consensual?

23 A. Yes.

24 Q. And are those nonconsensual wiretaps calls and
25 Push to Talk communications recorded?

1 A. Yes.

2 Q. And are those recordings archived?

3 A. Yes.

4 Q. You said that one of the people on whom you
5 sought a wiretap was Adrian Galvan. Did you come to know
6 what that person looks like?

7 A. Yes.

8 Q. Is that through the course of your investigation?

9 A. Yes.

10 Q. Do you see her in the courtroom today?

11 A. I do.

12 Q. Would you point her out please by where she's
13 sitting and an article of clothing she's wearing?

14 A. From the three tables that are there, the center
15 table on the top right, she's wearing what appears to be a
16 black jacket, black blazer.

17 MS. WILLIAMSON: Your Honor, will the Record
18 reflect the witness has identified Ms. Galvan-Constantini?

19 THE COURT: The Record will so reflect.

20 (Defendant Galvan-Constantini identified.)

21 BY MS. WILLIAMSON:

22 Q. Now, you said you made recordings through the use
23 of the wiretaps. Did you do any other kinds of recordings
24 in this investigation?

25 A. Yes.

1 Q. Could you describe what that involved?

2 A. We provided our Confidential Source a
3 recording -- what we call the "recording devices" and they
4 can vary from a key fob, like similar to when you lock and
5 unlock your cars, and we also used a purse that we equipped
6 with audio and video recording.

7 Q. And were there any occasions on which you also
8 placed video recorders in an automobile in order to record
9 events or conversations?

10 A. Yes.

11 Q. And with the regard to the recordings captured
12 from key fobs, the purse, and the other video recorders, are
13 those videos archived and kept?

14 A. Yes.

15 Q. What about traffic stops as an investigative
16 tool? We heard about at least one traffic in opening. Is
17 that something you're familiar with?

18 A. Yes.

19 Q. Could you describe how that might come about or
20 how it came about in this investigation?

21 A. Well, there was one traffic stop that we asked
22 for the assistance of Laredo PD.

23 Q. And is that, generally, how a traffic stop in a
24 DEA investigation might take place?

25 A. For the most part, yes.

1 Q. And you mentioned that you participated as an
2 undercover infiltrator in the money laundering
3 organizations, did other agents also play undercover roles
4 in this investigation?

5 A. Yes.

6 Q. Was that a regular part of the investigation?

7 A. Yes.

8 Q. So, let's move forward now to the actual parts of
9 an investigation. Did the DEA have a particular term for
10 the pieces of the investigation that it uncovered?

11 A. I'm not sure if I follow. Like transactions that
12 we were -- there's bulk currency transactions.

13 Q. And what's a "bulk currency transaction" in
14 regular people terms?

15 A. It is a -- we call them bulk currency
16 transactions because within X amount of money, an example
17 100,000, within those 100,000, there were several
18 transactions that occurred within -- they were bulk
19 currency, so from those 100,000, 20,000 went out, 30,000
20 went out, 40,000 when out. So, that's why we considered it
21 a bulk currency transaction.

22 Q. So, you're talking about cash most of the time?

23 A. Yes.

24 THE COURT: But I'm sorry, I'm not sure I
25 understood that.

1 Does it always have to originate with one large
2 amount one about and then smaller amounts coming out of a
3 large amount or not necessarily?

4 THE WITNESS: Yes, but also, the whole entirety
5 of the bulk cash can just also be moved also at one time.
6 It would just depend on what the instruction was given by
7 organization on what to do.

8 THE COURT: Okay. So, it would either be just
9 one amount that is moved in whole or it begins with one
10 amount and then there's different portions of that amount
11 that are distributed?

12 THE WITNESS: Yes.

13 THE COURT: Okay.

14 BY MS. WILLIAMSON:

15 Q. So, for example, a bulk currency transaction
16 could be \$100,000 coming in on one lump sum and the \$100,000
17 going out in one lump sum?

18 A. Yes.

19 Q. But is it accurate to say a bulk cash transaction
20 could equally consist of \$100,000 coming and five separate
21 payments of \$20,000 going out?

22 A. Yes.

23 Q. Let's talk about the first bulk -- how many bulk
24 cash transactions involve?

25 A. 41.

1 Q. So, let's talk about the first one. How did you
2 become aware that it was happening?

3 A. It was days after we got the Confidential Source
4 who agreed to work with us. Within a couple of days, the
5 Confidential Source called me up and said, "There's a money
6 courier on his way to drop off money at my residence and"--

7 BY MR. O.J. PENA: Your Honor, may we approach
8 very briefly, Your Honor? It's not an objection, Your
9 Honor, but it's for preservation of the Record, Your Honor.

10 THE COURT: That's fine.

11 (Bench conference begins at 1:27 p.m.)

12 MR. O.J. PENA: Your Honor, there were a number
13 of Confidential Sources in this case leading up to the
14 involvement of this Confidential Source, Corina Blake, and
15 for the Record to be clear later on down the line, I would
16 respectfully request that the Court ask the Government to,
17 instead of using the phrase "Confidential Source," which can
18 be very confusing and I know that it has been very confusing
19 because that's the phrases that we had in our reports,
20 Instead of using that phrase, that he use her name when he
21 is referring to her so that we know who he is referring to.
22 I don't know if there is going to be any testimony about any
23 other Confidential Sources --

24 THE COURT: They've already said there is not.
25 So, for purposes of this case, when they're talking about

1 the Confidential Source, they're talking about Ms. Blake.

2 So, just to clear that out, every time you're
3 referring to a Confidential Source, you're referring to
4 Ms. Blake. But as far as me telling them we must call her
5 Ms. Blake, I'm not going to do that.

6 MR. O.J. PENA: I'm not doing it for stylistic
7 reasons, I'm doing it because I may ask some questions
8 having to do with other Confidential Sources, Your Honor.

9 THE COURT: Okay. You're welcome to do that.

10 MR. O.J. PENA: And I'll try to keep that clear.

11 THE COURT: You're welcome to do that.

12 MR. O.J. PENA: Thank you, Your Honor.

13 THE COURT: Thank you.

14 (Bench conference ends at 1:28 p.m.)

15 BY MS. WILLIAMSON:

16 Q. Officer Lozano, to make sure that the record is
17 clear when you are referring to the Confidential Source in
18 the context of your testimony, are you referring to
19 Ms. Blake?

20 A. Yes.

21 Q. Was there anyone else in this investigation or
22 this case the DEA or you considered to be "the Confidential
23 Source?"

24 A. No.

25 Q. Will you be careful during the course of your

1 testimony not to refer to any other potential participants
2 and the Confidential Source and to use that source to refer
3 to Ms. Blake?

4 A. Yes.

5 Q. Thank you, sir.

6 Now, you said that the CS, Ms. Blake, had
7 contacted you about a delivery that she was expecting,
8 right? That's what we were talking about?

9 A. Yes.

10 Q. And what, if anything, did you do in response to
11 that information?

12 A. We received the information that money was going
13 to be brought over to Ms. Blake's residence so what we did
14 is get a surveillance team together there at the office and,
15 from the information that was provided, we headed out to the
16 residence and, in the vicinity, set up to see who would show
17 up, based on the information that was provided.

18 Q. Were you a part of that surveillance team?

19 A. Yes.

20 Q. What was your role on the surveillance team?

21 A. It was more supervisor and being in contact with
22 the Confidential Source.

23 Q. So, you were able to maintain contact with the
24 Confidential Source in the window of time before the
25 delivery she was expecting?

1 A. Yes.

2 Q. And were you also able to keep in contact with
3 the other officers who were performing surveillance?

4 A. Yes.

5 Q. Were there any challenges to this particular area
6 in the surveillance?

7 A. Yes.

8 Q. Could you elaborate, please?

9 A. The residence that we were looking at has a
10 horseshoe, so you're looking similar to a cul-de-sac. So,
11 the residence is right at the top of the horseshoe, so it's
12 very difficult for us to try to get a good, what we call the
13 "eye," a good visual of what's occurring, right, without any
14 obstructions from trees or vehicles or -- so, that was a
15 challenge for us.

16 Q. Did the surveillance team see any activity that
17 you believe was relevant to this investigation?

18 A. Yes.

19 Q. Could you describe what the surveillance team
20 saw?

21 A. A subject shows up and enter the residence
22 carrying something.

23 Q. When you say "carrying something," what do you
24 mean?

25 A. A bag.

1 Q. And what, if anything, happened next, as far as
2 you know?

3 A. There was a meeting inside, then the person
4 departed. And at that point, we decided as case agents
5 supervising the surveillance team is let's divide the
6 surveillance team into two. One group will stay with the
7 person that showed up to what Ms. Blake told us was going to
8 drop off money. We're going to follow that person around,
9 see what happens. Because we don't know whether or not he's
10 going to commit other crimes. We were just trying to gain
11 more knowledge on what he's going to do. And the second
12 group --

13 (Loud noise in the courtroom.)

14 THE COURT: Sorry.

15 MS. WILLIAMSON: Should we take a moment, Your
16 Honor?

17 THE COURT: No, no. It's okay. It's fine. You
18 can continue.

19 THE WITNESS: The second group is then told to
20 follow the Confidential Source from her residence back to a
21 predetermined location that we had already chosen to meet
22 up. And when we met up, the Confidential Source provided
23 me, I believe it was a box full of bulk currency cash in
24 vacuum sealed bags.

25 MS. WILLIAMSON: May I approach the witness, Your

1 Honor?

2 THE COURT: Yes, you may.

3 BY MS. WILLIAMSON:

4 Q. Officer Lozano, I've just handed you one of the
5 many binders of exhibits that are involved in this case and
6 if I could direct your attention please to Exhibits 14, 15,
7 and 16, could you take a moment to review them, please?

8 A. Okay.

9 Q. Do you recognize Exhibits 14, 15, and 16?

10 A. Yes.

11 Q. What are they?

12 A. That's the box that was brought over by Ms. Blake
13 to us.

14 MS. WILLIAMSON: Could we display Exhibit 15,
15 please?

16 BY MS. WILLIAMSON:

17 Q. And while that's going on, I'll continue to ask
18 you some questions about it.

19 Where was this picture taken?

20 A. That was a picture taken within one of our
21 processing rooms there at our office?

22 MS. WILLIAMSON: Could we display Exhibit 16,
23 please?

24 BY MS. WILLIAMSON:

25 Q. What is that specifically a picture of?

1 A. What was inside the box.

2 Q. So, that's a lot of cash. What happened to it?

3 A. We asked the Confidential Source what the next
4 step was.

5 Q. What did you mean by that?

6 A. Again, trying to gain knowledge on how this money
7 laundering organization worked. Prior to this, all we knew
8 was that money couriers would bring money to Ms. Blake. So,
9 from here it was finding out brand new things, like okay,
10 what's the next process. And so, we asked Ms. Blake, "What
11 do you do next with this money?"

12 Q. Did you see her take further action?

13 A. Yes, she started placing calls on her Push to
14 Talk phone trying to get instruction on where the money was
15 to go to.

16 Q. And without getting into the details, did she
17 eventually distribute any of that money?

18 A. Yes.

19 Q. Would a diagram be helpful in explaining how that
20 money distribution occurred?

21 A. Yes.

22 MS. WILLIAMSON: I'll have copies for opposing
23 counsel, but I also emailed them this afternoon. If I could
24 have a moment to distribute them?

25 THE COURT: Yes, ma'am.

1 (Pause in the proceedings.)

2 THE COURT: If you can just let me figure out
3 whether I have destroyed my screen here.

4 (Pause in the proceedings.)

5 MS. WILLIAMSON: Your Honor, does the Court have
6 a preference as to how the Government marks the
7 demonstratives? Should we start at 400?

8 THE COURT: I don't have a preference. I'll
9 leave that up to you.

10 BY MS. WILLIAMSON:

11 Q. As Government's 400, are you familiar with this
12 diagram?

13 A. Yes.

14 Q. Have you previously reviewed it before coming to
15 court?

16 A. Yes.

17 Q. Does it accurately depict the transactions in
18 BCT-1 that you investigated?

19 A. Yes.

20 Q. And would it aid you in explaining BCT-1 to the
21 jury?

22 A. Yes.

23 BY MR. SCOTT MCCRUM: Judge -- I'm sorry. Go
24 ahead.

25 THE COURT: Yes.

1 MS. WILLIAMSON: May the demonstrative be
2 published to the jury, Your Honor?

3 THE COURT: Any objections?

4 MR. SCOTT MCCRUM: I would object, at this point.
5 The foundation hasn't been made. There's hearsay within
6 that --

7 THE COURT: I don't know what you have now handed
8 him. Can you hand me a copy, please?

9 MS. WILLIAMSON: Yes, Your Honor. May I
10 approach?

11 THE COURT: Yes.

12 MR. SCOTT MCCRUM: Did you want us?

13 THE COURT: You're very welcome to approach, too.

14 (Bench conference begins at 1:38 p.m.)

15 MR. SCOTT MCCRUM: This is a lot of information
16 in here that he would have gotten from the source. It's
17 based in hearsay what that information was, all the money
18 was going to the Jaggi's and we really haven't even gotten
19 to how he would get that information other than from her, as
20 I said, which is hearsay.

21 THE COURT: Yeah, I --

22 MS. WILLIAMSON: The witness will testify that
23 the CS's was commission was determined by the DEA and did
24 come from the CS because, of course, the DEA.

25 THE COURT: I understand that admission part but

1 the arrows point in the other direction. How can we explain
2 that?

3 MS. WILLIAMSON: The witness will explain that
4 the DEA surveilled the delivery and, as you can see, I've
5 covered the portion about the Form 8300 because this witness
6 will not discuss.

7 THE COURT: Okay, so we correct that. Okay, this
8 is a 398. Surveillance shows this part of it, right here,
9 going to the right place and this is the money that was
10 seized.

11 MS. WILLIAMSON: Yes, Your Honor.

12 MR. SCOTT MCCRUM: And the rest of it disbursed
13 to the regular business?

14 MS. WILLIAMSON: There was surveillance conducted
15 on those transactions as well, but we're not going to get
16 into details because those businesses are not here in this
17 case.

18 THE COURT: Does that satisfy your objections?

19 MR. MICHAEL MCCRUM: What was the last language,
20 please?

21 THE COURT: What did you say last?

22 MS. WILLIAMSON: The rest of the Laredo
23 businesses, we will not discuss any of those in detail
24 because those businesses are not here in this case, in this
25 courtroom.

1 THE COURT: So, basically, it's going to be this
2 is determined by DEA and this transaction was surveilled.
3 And that's the extent of that? And this is covered.

4 MR. O.J. PENA: Your Honor, this number, here, is
5 that in addition to the money she was paid as part of the
6 contract?

7 THE COURT: I don't know but we need to figure
8 that. They said 50,000, total. So, we discuss 1500 as part
9 of the 50,000.

10 MR. O.J. PENA: I'm not assuming, that's why I'm
11 asking.

12 THE COURT: No, I don't know, but they haven't
13 gotten to it yet, they haven't testified about this yet.

14 MS. WILLIAMSON: I can make some additional
15 foundation before we publish this diagram to the jury.

16 THE COURT: That's fine.

17 MR. SCOTT MCCRUM: And this information?

18 MS. WILLIAMSON: That's a co-conspirator, as
19 you're all aware, and he's going to testify about a call
20 wherein the CS received instructions related to him.

21 MR. SCOTT MCCRUM: That would be based on
22 hearsay.

23 MS. WILLIAMSON: And that's a co-conspirator
24 statement.

25 THE COURT: What are you going to say about this?

1 You're just going to say, who is that individual?

2 MS. WILLIAMSON: Yes, the co-conspirator.

3 THE COURT: Has it come to that?

4 MS. WILLIAMSON: Yes, and in later testimony, it
5 will come out because delivery on his behalf.

6 THE COURT: Right, in later testimony.

7 MS. WILLIAMSON: Yes, Your Honor.

8 THE COURT: Okay, thank you.

9 (Bench conference ends at 1:41 p.m.)

10 MS. WILLIAMSON: Could we show Exhibit 15, I
11 think? I want to make sure we see 14, 15, and 16.

12 BY MS. WILLIAMSON:

13 Q. And just because it's a little bit difficult to
14 see with the lights on, can you read that name that's on
15 whatever is in that box, Officer Lozano?

16 A. Arturo Castillo.

17 Q. Thank you.

18 Now, directing you back to the demonstrative, how much
19 money was contained in that box?

20 A. \$299,244.

21 Q. And how did you come to that determination? Did
22 somebody count it?

23 A. Yes.

24 Q. Is that part of standard DEA procedure?

25 A. Yes.

1 Q. Are there very many procedures in place when DEA
2 handles money when DEA agents handle money?

3 A. Yes.

4 Q. Could the briefly clarify for the jury what some
5 of those are?

6 A. The main one is have witnesses present whenever
7 you encounter money or even if you were to seize money, it's
8 an immediate you out into an evidence bag. In this
9 instance, we were working the organization to where we were
10 going to conduct deliveries, so that's why the reason why we
11 had to count the money before it was sent out.

12 From what Ms. Blake had previously told us, part
13 of her job was to receive the money in bulk cash and count
14 it and report back to the peso broker and tell him, "This is
15 how much money I received."

16 So, that's the reason we counted the money, also,
17 so she can continue acting as part of the organization
18 still.

19 Q. And do you know if Ms. Blake communicated with
20 the person you described as the peso broker?

21 A. Yes.

22 Q. And who was that in this case in this particular
23 instance?

24 A. I believe it was Tio Polo.

25 Q. Did Ms. Blake receive any of the money from this

1 transaction?

2 A. Yes.

3 Q. Is that a commission, so to speak?

4 A. Yes, there's a commission fee that -- people that
5 work in this line of business don't do it for free, so
6 there's going to be money being made.

7 Q. And how much money did she make for this
8 transaction?

9 A. For this transaction, it was 1,500.

10 Q. And is that one part of the \$50,000 you described
11 earlier she received as part of her work in this case?

12 A. Yes.

13 Q. And you were starting to describe what happened
14 to the money. I think you said the CS, Ms. Blake, made some
15 phone calls. Did she eventually formulate a plan as to what
16 to do with the money?

17 A. Yes, it was to deliver to various persons
18 throughout Laredo?

19 Q. Are any of the persons or people she was going to
20 deliver to in the courtroom today?

21 A. Yes.

22 Q. Could you identify that person or people based on
23 location and an article of clothing?

24 A. Yes, one of the persons would be Mr. Harsh Jaggi
25 and he's on the far table, sitting in the middle with a

1 blue-collar shirt and a black sweater.

2 And then, next to him would be his wife,
3 Ms. Neeru Jaggi, and I think she's also wearing a black
4 sweater.

5 MS. WILLIAMSON: Your Honor, will the Record
6 reflect the witness has correctly identified Mr. and
7 Ms. Jaggi.

8 THE COURT: Yes, the Record will so reflect.

9 (Defendants Harsh Jaggi and Neeru Jaggi identified.)

10 THE COURT: Before you move on into anything
11 else, though, I have a question because you asked about
12 this. Where it says Arturo, is that Castillo?

13 THE WITNESS: Yes.

14 THE COURT: Was it like when you opened the box
15 or did you all write that in and place that in there or how
16 did that get there?

17 THE WITNESS: The CS placed that in there.
18 It's a calculator. The CS told us whenever the money was
19 brought over to her house, she did quick calculations. If
20 you see the bundles in vacuum seals have a 10, 10 and 10, so
21 the courier is telling them, "Okay, this is bundle has 10,
22 this bundle has 10, this bundle has 10," and so she's
23 calculated the total that it should round up to. And if you
24 see on that piece of paper, it says 299,250.

25 THE COURT: Whose writing is that?

1 THE WITNESS: I believe that's the Confidential
2 Source.

3 THE COURT: And the item that we see there that
4 has the name Arturo Castillo, that's actually a calculator
5 facing down?

6 THE WITNESS: Yes.

7 THE COURT: And so, that was all in the box and,
8 I guess, sealed at some point?

9 THE WITNESS: Whenever it was brought over there,
10 the flaps were --

11 THE COURT: The flaps were --

12 THE WITNESS: Yeah, were closed.

13 THE COURT: Were covered in. Okay.

14 MR. O.J. PENA: Your Honor?

15 THE COURT: Yes.

16 MR. O.J. PENA: If the agent knows that the flaps
17 were closed, then the identification would be hearsay.

18 THE COURT: All right.

19 MR. O.J. PENA: Because it was --

20 THE COURT: Okay, so you received the box and it
21 was closed? Or who received the box?

22 THE WITNESS: It was myself and Agent Stan
23 Petrie.

24 THE COURT: Okay. Did you all open it?

25 THE WITNESS: Yes.

1 THE COURT: And the contents looked like they do
2 in the other photograph?

3 THE WITNESS: Yes.

4 THE COURT: Okay, so that's what you visually
5 observed?

6 THE WITNESS: Yes.

7 THE COURT: All right.

8 MR. O.J. PENA: The identification that I was
9 referring to was of the --

10 THE COURT: Of the CS saying that's her writing
11 or that --

12 MR. O.J. PENA: No, no. I'm talking about the
13 import identification because if he was there, then he
14 couldn't observe the other one because they were --

15 THE COURT: No, no, no. I think that might be a
16 separate matter, but you can cross-examine on that portion.

17 MS. WILLIAMSON: I can clear that up.

18 THE COURT: Okay, go ahead.

19 BY MS. WILLIAMSON:

20 Q. You mentioned that the Confidential Source had
21 instructions to go to a previously determined meet up point
22 after the received the delivery of cash?

23 A. Yes.

24 Q. Did she go to that point?

25 A. Yes.

1 Q. Where'd she go after that? Do you know?

2 A. Ms. Blake?

3 Q. Ms. Blake, yes.

4 A. We brought her back to our office.

5 Q. Is your office where these photos of the box and
6 the cash were taken?

7 A. Yes.

8 Q. And did she arrive at the predetermined meet
9 point with the box?

10 A. Yes.

11 Q. And did the box then make the same journey as she
12 did to your office?

13 A. Yes.

14 Q. And were you present at the predetermined meetup
15 point?

16 A. Yes.

17 Q. Were you present at the office with Ms. Blake and
18 the box?

19 A. Yes.

20 Q. All right. So, you were testifying that she
21 formulated a plan on where to take the money and that part
22 of that plan included the Jaggi's. How was she going to
23 meet the -- or did the DEA observe the meeting with the
24 Jaggi's?

25 A. We asked the, you know, again, the Confidential

1 Source to keep -- everything was already set in place. It
2 wasn't something new that we could control and tell the CS,
3 "Meet them up at a parking lot or meet them up somewhere
4 else," this is something that's already set in place so that
5 CS told us that --

6 THE COURT: Wait, hold on a second. Don't get
7 into what she told you then. Just tell us what you did.

8 MS. WILLIAMSON: Or what you observed.

9 THE COURT: Or what you observed.

10 THE WITNESS: Okay.

11 THE COURT: Yes.

12 THE WITNESS: We took the \$30,000 to El Reino.

13 BY MS. WILLIAMSON:

14 Q. And at some point, did you turn over that money
15 to Ms. Blake?

16 A. Yes.

17 Q. And what, if anything, did she do after the
18 received the money?

19 A. Went and delivered to El Reino.

20 Q. Did DEA surveillance see her enter El Reino?

21 A. Yes.

22 BY MR. O.J. PENA: Your Honor, I misunderstood
23 earlier. I withdraw the objection. I'll deal with any
24 other questions on C ross.

25 THE COURT: Yes, sir. That's fine. Thank you.

1 MS. WILLIAMSON: Your Honor, I intend to publish
2 the demonstrative, at this stage.

3 THE COURT: All right. Any additional
4 objections to publishing the demonstrative?

5 MR. BALLI: No, Your Honor.

6 THE COURT: Thank you.

7 (Pause in the proceedings.)

8 BY MS. WILLIAMSON:

9 Q. The diagram has one more thing we haven't talked
10 about with regard to this -- well, two things, I suppose.
11 You mentioned that Ms. Blake delivered \$30,000 to El Reino.
12 Did she make any other deliveries with the money she that
13 received?

14 A. Yes.

15 Q. Without getting in specifics, can you broadly
16 describe what that involves?

17 A. Making deliveries to several different subjects
18 and businesses.

19 Q. And who Rodriguez Gonzalez?

20 A. He is what we identified as a Mexican business
21 owner.

22 Q. And does he have an alias?

23 A. Yes, he has a couple that we know of. One of
24 them was Puma.

25 Q. And is Rodriguez Gonzalez, to the best of your

1 knowledge, the same person as the Jose Luis Rodriguez-
2 Gonzalez that was part of some of the opening statements
3 earlier today?

4 A. Yes.

5 Q. And did you come to understand about whether
6 Ms. Blake and Mr. Rodriguez-Gonzalez had a relationship or
7 knew each other?

8 A. Yes, they did.

9 Q. And who's the person in the striped dress in the
10 middle of the diagram?

11 A. That was identified as Neeru Jaggi.

12 Q. And do you recognize the location where she's
13 standing there?

14 A. Yes.

15 Q. Where is it?

16 A. At the entrance of El Reino.

17 Q. And do you know how that photograph came to be?

18 A. One of the agents on surveillance took that
19 photograph.

20 Q. Did you discover any other businesses that
21 Ms. Blake regularly delivered money to during the course of
22 the 41 BCTs?

23 A. Yes.

24 Q. Is there anyone in the courtroom who is
25 associated with any of those businesses?

1 A. Yes.

2 Q. Could you point that person or people out by
3 location and an article of clothing?

4 A. Yes. Within the center table, on the right side
5 in the middle, there's Mr. Ravinder Gudipati.

6 Q. How is Mr. Gudipati involved?

7 A. He is the owner of NYSA Impex.

8 Q. And do you know what kind of business NYSA Impex
9 is or was?

10 A. A perfume shop.

11 THE COURT: Can you spell NYSA for the Record,
12 please?

13 THE WITNESS: N-Y-S-A.

14 BY MS. WILLIAMSON:

15 Q. Let's move on to BCT-2 and I'll ask you the same
16 question. Would a diagram be helpful in explaining what
17 happened?

18 A. Yes.

19 MS. WILLIAMSON: For the Record, I've handed the
20 witness a diagram and I'll now pass copies to opposing
21 counsel.

22 THE COURT: All right.

23 And this will be 401 or 400-A?

24 MS. WILLIAMSON: Will call this 401, Your Honor.
25 Thank you.

1 (Counsel confer.)

2 THE COURT: Okay.

3 And remember, all counsel, we will keep an
4 original. The demonstratives will still be part of the
5 Record.

6 MS. WILLIAMSON: Yes, Your Honor.

7 BY MS. WILLIAMSON:

8 Q. And you've been handed a copy of Government's
9 401. Are you familiar with this diagram, Officer Lozano?

10 A. Yes.

11 Q. Have you previously reviewed it before coming to
12 court?

13 A. Yes.

14 Q. Does it accurately depict the transactions in
15 BCT-2 that you investigated?

16 A. Yes.

17 Q. Would it aid you in explaining BCT-2 to the jury?

18 A. Yes, it would.

19 Q. Before we publish the exhibit to the jury, can
20 you explain, please, how did BCT-2 begin?

21 A. Similar to one in a way that Ms. Blake contacted
22 us and told us there's a money courier coming down to drop
23 off money, but this time it's going to happen in the middle
24 of the night because that's the way this money courier
25 works.

1 Q. And what was the date that the CS was expecting
2 the money courier?

3 A. The date?

4 Q. Yes.

5 A. It was late March.

6 Q. What, if anything, did you do in response to
7 contact from Ms. Blake?

8 A. We set up, again, surveillance to attempt to
9 corroborate the information that we had just received from
10 Ms. Blake.

11 Q. Did you also provide her with a recording device?

12 A. Yes.

13 Q. What kind of recording device?

14 A. I believe it was, again, like a key fob because
15 the CS told us that the courier is --

16 BY MR. O.J. PENA: Objection, Your Honor.
17 Hearsay.

18 THE COURT: All right. Just don't tell us what
19 anybody said to you. Just tell us what you observed and
20 what you did or what they did.

21 THE WITNESS: Okay.

22 MS. WILLIAMSON: Your Honor, the Government is
23 also soliciting the information, not for the truth but to
24 show future action, namely why Officer Lozano and the DEA
25 selected that recording device.

1 THE COURT: Okay, that's fine. Go ahead.

2 BY MS. WILLIAMSON:

3 Q. I believe the question was, did you provide a
4 recording device?

5 A. Yes, we did. It was a key fob and it was placed
6 inside the vehicle Ms. Blake was going to be driving.

7 Q. And did Ms. Blake, in fact -- did surveillance
8 reveal that Ms. Blake, in fact, went to meet a courier?

9 A. Yes.

10 Q. And were you part of that surveillance?

11 A. Yes.

12 Q. Could you describe what you, please?

13 A. What is I saw was we conducted surveillance, the
14 information was that a bus line was going to stop at the, I
15 think, it's the Marriot Spring Hills. If you guys are
16 familiar with the Golden Corral off Santa (indiscernible)
17 there's a hotel right there. The bus was going to stop
18 there and drop off the money courier and that's where
19 Ms. Blake was to pick up the money courier.

20 Q. And did your surveillance observe Ms. Blake
21 picking up a person?

22 A. Adriana Galvan-Constantini.

23 Q. And what, if anything, did you see Ms. Galvan-
24 Constantini do during the course of your surveillance?

25 A. She arrived with a rolling luggage and that

1 rolling luggage was placed in Ms. Blake's vehicle.

2 Q. And did Ms. Galvan-Constantini get into
3 Ms. Blake's vehicle?

4 A. Yes.

5 Q. Directing your attention to Exhibit 24-A, in that
6 binder, do you recognize Exhibit 24-A?

7 A. Yes.

8 Q. What it is?

9 A. It's the transcript to the recorded conversation
10 that the key fob picked up.

11 Q. Have you previously reviewed that transcript?

12 A. Yes.

13 Q. Who are the people on the phone call? Excuse me.
14 Who are the people on the recorded conversation?

15 A. It is Ms. Blake and Adriana Galva-Constantini.

16 MS. WILLIAMSON: Could we play the clip, please,
17 of Exhibit 24?

18 (Exhibit 24, a recording, was played to the Court and
19 jury.)

20 THE COURT: All right, hold on a second. Pause.
21 Pause, pause.

22 Does it sound like this or is it the equipment
23 that's making it sound like this?

24 MS. WILLIAMSON: I think it's a combination of
25 the two, Your Honor.

1 THE COURT: Okay, because we have people here
2 from IT, so do we need to take a break or are all the tapes
3 going to -- it is just this tape or all the tapes going to
4 sound like this?

5 MS. WILLIAMSON: I think many of them may have a
6 similar sound quality, combination of --

7 THE COURT: Okay, let me excuse the jury.
8 Please step out, ladies and gentlemen.

9 THE CLERK: All rise.

10 (Jury exits the courtroom at 2:00 p.m.)

11 (Outside the presence of the jury.)

12 THE COURT: Okay, they stepped out and, look, I'm
13 hearing these for the first time. You have had them for a
14 year to work with them. The accuracy of the
15 transcription/translations has not been challenged. We now
16 have a transcript on screen, but I just want to make sure
17 that we can really hear them because, otherwise, I mean,
18 I'll say I've got some concerns.

19 So, let's play it again. I mean, ultimately,
20 they'll have to decide if they can hear the same things
21 themselves, I guess, but --

22 MS. WILLIAMSON: Well, Your Honor, the recordings
23 are in Spanish, so it won't be the words on them, I mean, it
24 will be but it won't be the words on the screen.

25 THE COURT: Right, right, right. But I just want

1 to make sure I can understand the words that are being
2 spoken. I couldn't understand the words spoken.

3 I wasn't even sure the language we were hearing
4 when you all were playing it.

5 (Parties testing the equipment.)

6 MALE SPEAKER: Judge, can I have two minutes down
7 the hall?

8 THE COURT: Yes, sir.

9 MALE SPEAKER: Thank you.

10 (Pause in the proceedings.)

11 THE COURT: All right, Counsel. I was just
12 notified Juror No. 12 wants to talk to me. I don't know
13 what about. I'm going to bring her to the bench and, of
14 course, we are on the Record.

15 (Bench conference with Juror No. 12 begins at
16 2:04 p.m.)

17 JUROR NO. 12: I don't know if there's anyway,
18 because I'm not going to be paid by my job and I'm going to
19 be left without -- a month without pay. Is there anything
20 you recommend me to do or something?

21 THE COURT: Ma'am, (indiscernible) jury
22 selection, you were told then. I'm not sure what to tell
23 you. We told you this case was going to last at least two
24 weeks, could be three. I mean, you should be paid as a
25 juror, but your job cannot stop paying you. I think by law,

1 they have to continue paying you. I don't think they can
2 deny you a paycheck because you're serving on the jury.

3 JURY NO. 12: That's what I don't know.

4 THE COURT: Who's your employer?

5 JUROR NO. 12: UISD.

6 THE COURT: They can't stop paying you is my
7 understanding.

8 JUROR NO. 12: But it's within the UISD, but
9 it's an afterschool program.

10 THE COURT: Right.

11 JUROR NO. 12: So, I don't know if it's
12 independent from then but UISD still pays us.

13 THE COURT: I don't think that can legally
14 refrain a check. You know, we can make some calls, but this
15 is not the time to be disclosed to us because you can't be
16 sitting there worried about whether you're going to get paid
17 or not. I can't excuse you right now and (indiscernible)
18 we'll take a break in the afternoon if you want to try to
19 make a call, but I think that legally they cannot not pay
20 you. Okay? But this kind of communication is not
21 (indiscernible).

22 JUROR NO. 12: Yes, I'm so sorry, but I just that
23 like that would have been something I would be able to be
24 excused for.

25 THE COURT: Well, I don't know, if you

1 (indiscernible) that's something that could have been
2 discussed, but right now (indiscernible).

3 JUROR NO. 12: I understand.

4 THE COURT: And believe that (indiscernible)
5 situation (indiscernible) that's not a reason to be excused.
6 I don't want (indiscernible) to be coming and talking about
7 it and being (indiscernible) something that has to happen or
8 it's an emergency but what you're describing is a situation
9 issue that should have been described during jury selection.
10 So, the only thing, again, I can say or that I can tell is
11 make a call to your employer, find out (indiscernible) They
12 certainly not fire you.

13 FEMALE SPEAKER: If she's a part-time employee,
14 (indiscernible).

15 THE COURT: You're fulltime?

16 JUROR NO. 12: Part-time.

17 THE COURT: You're part-time. Okay. Well, make
18 some inquiries and then let us know what your particular
19 situation is.

20 JUROR NO. 12: Okay.

21 (Bench conference ends at 2:08 p.m.)

22 THE COURT: All right, and tell me what her
23 number is.

24 FEMALE SPEAKER: I believe he said 12.

25 THE COURT: That was Juror No. 12?

1 All right. So, Juror No. 12 just came up and
2 reported that she's very concerned because she doesn't know
3 whether her employer is going to pay her for the next couple
4 of weeks. She doesn't know whether she's going to receive a
5 paycheck. My response to her is that I wish she had
6 communicated that concern during jury selection, she
7 obviously did not. She says she's still not sure and she
8 was asking me for advice on what she should do. And so,
9 what I said to her is obviously I can't give her advice,
10 it's my opinion, but I don't know that employer, I know that
11 they can't fire them, I didn't think they could withhold
12 payment, but obviously, we're going to look into that
13 situation. I also instructed her though that she has to be
14 focused on everything that we're doing here today and can't
15 be worried about whether she's going to get a paycheck.

16 Now, for everyone that lives paycheck to
17 paycheck, it's not a matter to be taken lightly. Obviously,
18 I can understand why she would be very concerned and so
19 she's going to make an inquiry during the break and get back
20 to us on that, but you know, obviously, those are exactly
21 the kinds of things that should come up during jury
22 selection and did not. So, that's where we're at.

23 Does anybody want to add anything?

24 MS. WILLIAMSON: Could I just ask, Your Honor, is
25 this the same juror who thought she might be working night

1 shifts?

2 THE COURT: No, it is not.

3 MS. WILLIAMSON: Thank you for that
4 clarification.

5 THE COURT: That juror we've already written the
6 letter and I think that juror is fine. This is somebody
7 else and I think she indicated that she works part-time.
8 It's part of the UISD, but it's an afterschool program and
9 so I don't know. I don't know whether part-time employees
10 whether there's different rules, contract workings, I
11 honestly don't know. I don't deal with that, but we'll look
12 into it and if, in fact, she confirms she's not going to get
13 paid and expresses her inability to stay focused then I'll
14 leave it up to all of you whether you want to keep her or
15 not. Thankfully, we have two alternates.

16 So, we'll just see. I'll keep you posted on the
17 development of that.

18 All right. Are we ready to play the audio or
19 we're still working on this?

20 (No audible response.)

21 THE COURT: Mr. Hernandez, can you look into that
22 as well? Can you send a message downstairs to look into the
23 pay situation? Or Ms. Trevino will do it?

24 THE CLERK: I'll do it.

25 THE COURT: Okay, thank you.

1 All right, and I know that there wasn't an
2 objection from defense counsel, I intervened. If you all
3 are happy that is sounds like this, I'll back off, but, I
4 mean, let me hear from all of you.

5 MR. O.J. PENA: Your Honor --

6 THE COURT: I'm just wondering because I couldn't
7 understand it. I wasn't even sure if it was English or
8 Spanish so -- again, you guys have heard these, you all
9 weren't objecting.

10 MR. O.J. PENA: May I have one moment, Your
11 Honor, to discuss this with Mr. Balli since we're kind of
12 both in the same?

13 THE COURT: Okay. I mean, I could be interfering
14 with your defense strategy here. Certainly, not my intent,
15 so let me know.

16 (Pause in the proceedings.)

17 THE COURT: All right, Counsel. We're still on
18 the Record. I was just advised by the CSO that Juror No. 14
19 wants to know if they have a question, can they ask it. And
20 so, obviously the response is no, not at this point. They
21 have to wait until everybody finishes their questioning
22 before they can write their -- well, not before they can
23 write it, but before we'll look at whatever question they
24 might have.

25 So, when they come out, I'll remind them, you

1 know, that they can start writing down questions they think
2 they may have, but we're not going to get to any of that
3 until you guys are done with your Cross-examination and
4 Redirect examination.

5 MR. O.J. PENA: Your Honor?

6 THE COURT: Yes.

7 MR. O.J. PENA: I admit it's a strategic
8 decision, but the reality is we're going to waste a lot of
9 time.

10 THE COURT: So play as-is.

11 MR. O.J. PENA: And I'm going to everybody
12 already knows the argument is that whatever their
13 transcripts have they're based on trash in, trash out.
14 Basically, at this point, Your Honor, if they want to play
15 the audio, I was going to allow them to, but you've heard
16 it, Your Honor, and if you are--

17 THE COURT: I haven't really heard it. I heard a
18 little portion of it. I just stopped it because I was
19 wondering if it was all like that if there was something
20 wrong with the equipment, I didn't know. I figured,
21 obviously, that if there were issues you all would have
22 brought it up before, but nobody has or had so, again,
23 you're prepared to just let them play as-is?

24 And look, even if you say no, I'm not saying I'm
25 going to go along with you. I'm just trying to figure out

1 what's your position?

2 MR. O.J. PENA: I will -- Your Honor, I'm going
3 to stick to my position, Your Honor --

4 THE COURT: Which is let them play.

5 MR. O.J. PENA: -- which is to allow them to
6 listen to the call.

7 THE COURT: Okay. That's fine, that's fine.

8 And look, these were all transcribed so somebody
9 listened to it and whether it took them five minutes to
10 transcribe or five hours, I don't know, but they're in
11 evidence at this time, nobody's challenging the accuracy,
12 and I'm sure you all know what you all are doing. I'll
13 leave it at that.

14 Okay, it sounds the same, Mr. Lankos (phonetic)?

15 MR. MORENO: We don't have any sound yet.

16 THE COURT: Oh. We don't have sound yet.

17 MR. MORENO: They've (indiscernible) the cables
18 (indiscernible) no sound at all.

19 THE COURT: We now have lost sound.

20 (Pause in the proceedings.)

21 THE COURT: All right. Lawyers, while we're
22 trying to figure this out, my clerks are doing some research
23 on the whole fulltime/part-time salary situation. They're
24 looking at the Texas Employer Handbook. But before we can
25 maybe give her our advice, and I don't know that I'm even

1 required to do that, they need to know a little bit more
2 about her employment. Are there any objections to me
3 sending -- well, we can bring her out and my clerks just
4 need to ask her a couple of questions about where she works
5 and so forth.

6 Any objections from anybody?

7 MALE SPEAKER: No, Your Honor.

8 THE COURT: Okay, so let's bring that same juror
9 out. You all can just talk to her right here and ask her
10 some more questions about her employment situation.

11 (Pause in the proceedings.)

12 THE COURT: Yes, sir. You may step out, yes.

13 MR. BALLI: Your Honor, is it okay if I step out?

14 THE COURT: Yes.

15 (Pause in the proceedings.)

16 THE COURT: Why don't we just go off the Record
17 here for 10, 15 minutes until we figure this out? Everybody
18 can take a break. Thank you.

19 (Recess taken from 2:19 p.m. to 2:24 p.m.)

20 AFTER RECESS

21 (Outside the presence of the jury.)

22 THE COURT: Okay, are we back on the Record?

23 So, another situation. I guess, the Hindi
24 Interpreters don't speak Spanish so they can't interpret
25 what they're hearing on the tape to Hindi so they're going

1 to need a copy of the transcripts to be able to interpret or
2 the client's themselves read and speak English to be able to
3 read the transcripts.

4 So, how do you all want to handle that?

5 (No audible response.)

6 THE COURT: Anybody?

7 MR. MORENO: They can get copies of the
8 transcripts, but it's going to say exactly the same thing
9 because it's in English.

10 THE COURT: Right, and so can the clients, can
11 the Defendants look at the screen and read it for themselves
12 or does that portion also require translation?

13 COURT INTERPRETER: Your Honor, I think we're
14 missing a lawyer.

15 MALE SPEAKER: I think we're missing a few, Your
16 Honor.

17 THE COURT: Oh, we're missing Mr. Balli.

18 It looks like we're still missing a bunch of
19 people.

20 All right. Well, anyway, start to think about
21 that issue. The other part of it is we did our research
22 and, apparently, because she is a part-time employee, they
23 can, in fact, withhold her paycheck.

24 MALE SPEAKER: They can?

25 THE COURT: Yes, they can. Never a perfect

1 trial.

2 MR. MICHAEL MCCRUM: Your Honor, we do not agree
3 to excuse her.

4 THE COURT: You do not agree to excuse - Okay,
5 then you don't have to. That's why I said to her, "This is
6 something --

7 MALE SPEAKER: I didn't hear. You do not agree
8 to excuse--

9 THE COURT: They're saying they do not agree to
10 excuse her. And you know, again, we tell them, "Is there
11 anything in your life? Is there anything going on? Is
12 there anything you want to talk about? Is there anything
13 that concerns you?" It is what it is. All right.

14 MR. MORENO: Just for the Record, is that all of
15 them or just two of them?

16 THE COURT: Well, I'll ask each one individually
17 what their position is.

18 Mr. Del Rio -- well, let me ask the lawyers that
19 are here. What's your position?

20 MR. DEL RIO: We would like to keep her, Your
21 Honor.

22 THE COURT: I'm sorry.

23 MR. DEL RIO: We would like to keep her, Your
24 Honor.

25 THE COURT: You would like to keep here. All

1 right.

2 Mr. Castillo, what is your position?

3 MR. CASTILLO: Your Honor, I agree with
4 Mr. McCrum. Having discussed the issue, we do not agree to
5 release her.

6 THE COURT: Okay, and I'll wait for the other
7 lawyers to come in. I'll ask them the same question.

8 Government, what's your position?

9 MR. MORENO: I'm trying to picture which one it
10 is. I didn't see her when she came back up. I think we're
11 fine with her being excused because have the other two.

12 My concern is that if that's going to be the
13 case, no matter what we tell her, she's not going to be
14 paying attention. It's going to be just as bad as having a
15 juror who's not full into the case and so I don't know if
16 that benefits anybody. Definitely doesn't benefit us if
17 she's not paying attention because she's concerned with
18 outside matters.

19 MR. MICHAEL MCCRUM: That's a hypothetical
20 concern.

21 MR. MORENO: Well, we can bring her out and ask
22 her.

23 THE COURT: Do you all want me to bring her out
24 and ask her or are we just saying you're not going to be
25 excused and you're still tasked with paying attention and

1 just leave it at that?

2 MR. MICHAEL MCCRUM: I would just leave it at
3 that, Judge. I would not ask any further questions.

4 THE COURT: But just so that you all know, the
5 Government has raised a hypothetical, which is probably a
6 reality, but if you all don't want to probe further at this
7 juncture, which would be the right time --

8 MR. MORENO: We do.

9 THE COURT: No, I know you do but they're saying
10 that there's no need to ask any other questions.

11 MR. MICHAEL MCCRUM: In my experience, even when
12 jurors are not excused, they pay attention. It's just a
13 fear. I've heard that said in courtrooms by lawyers, but
14 I've never seen it happen when a juror's not excused. They
15 sit there, they listen just like anyone else. They may not
16 be as happy, but that's what it is.

17 THE COURT: All right. I want the defense
18 lawyers to discuss it with your clients because later on, I
19 don't want them to say, we should have asked follow-up
20 questions, we should have excused her because she could have
21 been worried about her paycheck, didn't pay attention to us,
22 didn't give us a fair trial, didn't follow the law because
23 she was so preoccupied because I'm willing to bring her in
24 so all of you can ask her questions.

25 But the defense is telling me, "No, don't bring

1 her in. No, no follow-up questions. And no, we don't
2 excuse her," and that's fine if that's what you all want to
3 do, but I want your client's consent on that so that later
4 on they don't argue that all of you, number 1, made the
5 decision without then, and number 2, were ineffective for
6 having done so. So, take a moment to talk to your clients.

7 MR. O.J. PENA: Your Honor, as an aside, you said
8 she worked for UISD; is that correct? I believe UISD
9 receives federal funding. I wouldn't be surprised if
10 there's not a rule --

11 THE COURT: She's a part-time employee, counsel.
12 Why don't you talk to your other co-counsel? They can brief
13 you on what we were talking about, --

14 MR. O.J. PENA: Yes, Your Honor.

15 THE COURT: -- but talk to your clients and I
16 want information from your clients if that's their decision
17 as well.

18 MR. O.J. PENA: Yes, Your Honor.

19 (Pause in the proceedings.)

20 MR. BALLI: Your Honor, I conferred with Luis
21 Montes-Patino and he's in agreement that we should try to
22 keep the juror to the extent possible and not ask further
23 questions.

24 THE COURT: All right, thank you.

25 Let me hear from each counsel individually.

1 Mr. Scott McCrum?

2 MR. SCOTT MCCRUM: Yes, Your Honor. On behalf of
3 Reddy Gudipati, I talked to him and yes, we do not want to
4 bring her in for questioning nor do we want to excuse her.

5 THE COURT: All right.

6 Michael McCrum?

7 MR. MICHAEL MCCRUM: I've spoken with Harsh
8 Jaggi. I'm in agreement with my co-counsel and their
9 position, I do want her excused and I do not want her to be
10 asked any questions.

11 THE COURT: Mr. Castillo?

12 MR. CASTILLO: Yes, Judge. Good afternoon. I've
13 spoken with my client, she is present in the courtroom and
14 having spoken to her, we submit the same announcement.

15 THE COURT: Thank you.

16 Mr. Oscar O. Pena?

17 MR. O.J. PENA: On behalf of Adriana Galvan-
18 Constantini, who is next to me and who has been consulted,
19 we also agree with our other defense counsel's position.

20 THE COURT: Mr. Pena Sr.?

21 MR. O.O. PENA: We think, Judge, that the juror
22 should stay. I have spoken to my client and he feels the
23 same way.

24 THE COURT: Thank you.

25 Did I cover everyone? I think I did.

1 All right. And additional fact that I just
2 learned, which could make all of this moot, but I wanted to
3 still air on the side of caution is she apparently works
4 from 3:00 to 6:00 every day. She worked 3 hours every day,
5 she gets paid \$9 an hour, she's making \$27 a day. So, she's
6 actually making more money by being with us here each day
7 because she's getting \$50 from us. At least now because we
8 still have some appropriations. That could change though is
9 the Government situation worsens, but they'll still get paid
10 retroactively so she's actually making more money.

11 MR. BALLI: Does she know that?

12 THE COURT: We're going to tell her.

13 MR. LIDDLE: Your Honor?

14 THE COURT: Yes.

15 MR. LIDDLE: You think I could be an alternate
16 because I'd be making more money.

17 THE COURT: Sure. Why not? Stranger things have
18 happened.

19 All right. So, that takes care of that
20 situation. We're ready with the audio now?

21 MR. MORENO: We're ready. We're going to -- just
22 to explain to the Court, I think this first part has three
23 clips, if I understand correctly. The first one's the bad
24 one because they're in the car, I think the windows are down
25 and you can hear the blinker, the road noises, and whatever.

1 Then they get into the house and it's not clear, but it is
2 what it is.

3 THE COURT: Okay.

4 MR. MORENO: So, there's not much we can do to
5 improve it (indiscernible).

6 THE COURT: Okay.

7 MR. MORENO: I don't know what they decided on
8 the transcript or the --

9 THE COURT: Oh, yes. What have you all decided
10 for the Hindi speaking Defendants, who also speak English
11 but we have Interpreters just as an additional measure? Do
12 they want to just review the transcripts or do we need to
13 give a copy of the transcripts to the Interpreters to
14 interpret for them?

15 MR. MICHAEL MCCRUM: On behalf of my client, he
16 cannot read that fast English. He's somewhat familiar with
17 in English, as you'll hear, but he just can't read that fast
18 so it'll be of no use to put it in front of him.

19 THE COURT: Mr. Castillo, same announcement?

20 MR. CASTILLO: I spoke to my client and yes, it
21 is the same announcement.

22 THE COURT: Mr. McCrum, Scott, same announcement?

23 MR. SCOTT MCCRUM: Either way, Judge. Same
24 announcement, Judge.

25 THE COURT: Okay, all right. So, let's get the

1 Interpreters copies of the transcripts so that they can
2 translate.

3 MS. WILLIAMSON: Your Honor, if I may inquire
4 through the Court, the Government did not anticipate the
5 need to bring a copy of the transcripts for the translators
6 and, for that, I apologize. However, I do note that defense
7 counsel had three sets of binders between them and none of
8 them seem to be actively using them at this moment and I
9 wonder if they might have a copy to loan.

10 THE COURT: Yes, please. Give us a copy, let's
11 them over to the Interpreters. Help us out with this.

12 MR. O.J. PENA: I've brought an electronic copy,
13 Your Honor.

14 THE COURT: Whatever you guys have, if you could
15 just hand over a copy so that we could get this done.
16 Otherwise, I look forward to seeing you for the next month
17 here in trial.

18 MR. O.J. PENA: Your Honor, what I'm saying is
19 that I digitized it and saved it on my computer.

20 THE COURT: Oh, so you can't.

21 Does anybody have a physical?

22 MALE SPEAKER: I'm in the same position.

23 MALE SPEAKER: Same, Judge.

24 THE COURT: Nobody has a physical copy?

25 MR. O.J. PENA: I don't have a paper copy. We

1 had a box, but it was too cumbersome.

2 THE COURT: All right. We have one, got it
3 covered. What transcript number is this?

4 MS. WILLIAMSON: 24, Your Honor.

5 THE COURT: 24.

6 MR. O.J. PENA: We had the boxes, Your Honor, but
7 they were too cumbersome so I digitized so I wouldn't have
8 to carry it.

9 THE COURT: And if you could just maybe kind of
10 give us a couple of number on what you hope is next and so
11 forth, and we'll get them --

12 MS. WILLIAMSON: Yeah, and we may be able to come
13 up with another set of binders. If not by the end of the
14 day, then certainly for next week.

15 THE COURT: All right. Yeah, I don't know about
16 the end of the day, but just right now we'll use our copies.

17 COURT INTERPRETER: Your Honor, if we may. We
18 can just (indiscernible).

19 THE COURT: Thank you so much. Yes, all right.
20 Wonderful. Problem has been solved because we actually
21 apparently don't have a copy. Oh, we don't have a 24
22 because that would make too much sense.

23 All right, it's the one number we're missing.
24 That's good. We apparently don't.

25 COURT INTERPRETER: Your Honor, (indiscernible)

1 to stand.

2 THE COURT: You're welcome to whatever you need
3 to do, ladies.

4 COURT INTERPRETER: Okay.

5 THE COURT: Thank you.

6 I think everyone is back, let's go ahead and
7 bring the jury in. Thank you.

8 (Jury enters the courtroom at 2:38 p.m.)

9 MALE SPEAKER: Your Honor, did we tell the juror?

10 THE COURT: Do you want me to tell her now?

11 MALE SPEAKER: Sure.

12 THE COURT: I will.

13 Juror No. 12.

14 Juror No. 12, let me have you come to the bench
15 just for one moment. I just have an answer to the question
16 that you posed.

17 Everyone else, you may be seated. We had a
18 question from Juror 14. Apparently, I guess, you have a
19 question and were wondering if you could, I don't know if
20 your question was whether "Can we write it down?" or "Can we
21 ask it?" Let me just clear that up for all of you. You
22 have some yellow notepads in front of you. Some of the
23 witnesses are going to be on the stand for a very long time
24 and so, of course, if you're wondering certain things, you
25 can start to write down your questions on the yellow pad,

1 but you cannot ask it right now in the middle of testimony,
2 as you've seen me ask some clarifying questions, because you
3 have to wait. You know, they're obviously not done.
4 They're like pretty much at the beginning.

5 You've got to wait for the Government to finish
6 all their questioning and then all of these lawyers, whoever
7 decides they want to ask questions, they get to Cross-
8 examine the witness. Government gets to come back and do a
9 Redirect, if they would like, and then only at that point,
10 assuming that question that you had, assuming that it still
11 hasn't been answered, and again, that should be a clarifying
12 question, then at that point, you would write it down, hand
13 it to the Court's security officer, we all come up here,
14 field objections for the Rules of Evidence, and then it
15 would get asked. And so, no, it can't be done in the middle
16 of things.

17 Does everyone understand?

18 Okay, everyone is nodding in the affirmative.

19 (Bench conference begins at 2:40 p.m.)

20 THE COURT: We did some research. We were able
21 to find out that because a part-time employee, but I've been
22 told that you work three hours and make \$9 an hour, so
23 that's a total of \$27. Right?

24 JUROR NO. 12: Yes.

25 THE COURT: You're actually going to be making

1 more money with us, you're going to making \$50 a day.

2 JUROR NO. 12: I understand that.

3 THE COURT: Okay.

4 JUROR NO. 12: But it's just it's the time being
5 that when I receive the check.

6 THE COURT: No, and we're going to be working
7 with all of you to get you paid as quickly as possible.
8 You're actually going to be making more money and so I just
9 need to know whether everything that we discussed during
10 jury selection, that you will be fair and impartial, that
11 you will have paid attention, does all of that still stand?

12 JUROR NO. 12: Yes.

13 THE COURT: Okay, ma'am. Thank you very much.

14 (Bench conference ends at 2:40 p.m.)

15 THE COURT: All right. You may continue.

16 MS. WILLIAMSON: Your Honor, I have one more
17 question --

18 THE COURT: Yes.

19 MS. WILLIAMSON: -- for the Court before I
20 continue my questions of Officer Lozano.

21 Would the Court inquire of the jury whether they
22 can see the projector over me or whether I'm blocking?

23 THE COURT: They have screens in front of them as
24 well.

25 MS. WILLIAMSON: Oh, perfect.

1 THE COURT: And their screens, because their
2 mute, the quality is even better than it is on this screen.

3 MS. WILLIAMSON: Very good. Thank you, Your
4 Honor.

5 THE COURT: Right, ladies and gentlemen? Am I
6 right about that?

7 Everybody's nodding, "yes."

8 All right. You may continue.

9 DIRECT EXAMINATION OF FRANCISCO LOZANO (RESUMED)

10 BY MS. WILLIAMSON:

11 Q. Officer Lozano, before we continue with
12 Exhibit 24, I want to clarify a couple of things. You said
13 that there was a recording device in Ms. Blake's car during
14 this meeting, right?

15 A. Yes.

16 Q. Do you know where that recording device was
17 placed?

18 A. The vehicle had a small compartment on the
19 dashboard, like right underneath by where the steering wheel
20 is. We just popped it open and we placed the key fob in
21 there and closed the small compartment.

22 Q. Was part of this discussion, based on your
23 observations and surveillance, occurring while the car is
24 driving?

25 A. Yes.

1 Q. And does that potentially create some additional
2 noise in the recording?

3 A. Yes.

4 Q. And have you reviewed this transcript?

5 A. Yes.

6 Q. Did you find it to be relatively accurate?

7 A. Yes.

8 Q. You said you speak Spanish as part of your job.
9 Do you have any formal Spanish training?

10 A. I have a bachelor's degree in Spanish.

11 MS. WILLIAMSON: With that, if we could play
12 Exhibit 24, please.

13 (Exhibit 24, a recording, was played to the Court and
14 jury.)

15 THE COURT: All right, I'm sorry.

16 COURT INTERPRETER: It's going too fast.

17 THE COURT: Okay. The transcript part of it is
18 going too fast?

19 COURT INTERPRETER: Yeah.

20 THE COURT: That just how it plays.

21 COURT INTERPRETER: Okay, okay. I'm going to try
22 to keep up.

23 THE COURT: Try your best.

24 COURT INTERPRETER: Yes.

25 THE COURT: Thank you.

1 MS. WILLIAMSON: And can we play the second clip,
2 please?

3 (Exhibit 24 continues to be played for the Court and
4 jury.)

5 BY MS. WILLIAMSON:

6 Q. And just as a refresher because we took a longer
7 than expected break when the transcript says CS, who is
8 that?

9 A. Corina Blake.

10 Q. And when the transcript says, "Adriana," who is
11 that?

12 A. Adriana Galvan-Constantini.

13 Q. At the time this transcript was recorded, did you
14 know who Adriana Galvan-Constantini was?

15 A. We didn't have her fully identified.

16 Q. So, at this time, did you take any further steps
17 to identify the woman you saw getting off the bus and
18 getting into Ms. Blake's car?

19 A. Yes.

20 Q. And what was that?

21 A. We had a United States Border Patrol Agent within
22 our group that's also a deputized Task Force Officer. So,
23 we asked him to head over to the Checkpoint to identify
24 Adriana.

25 Q. Without getting into any particular action that

1 he may have taken or the result of any action, are you aware
2 as to whether that Border Patrol Agent did go to the
3 Checkpoint for that purpose?

4 A. Yes.

5 Q. To the best of your knowledge, is that based on
6 the DEA's instructions to him?

7 A. Yes.

8 MS. WILLIAMSON: Could we display Exhibit 22,
9 please?

10 BY MS. WILLIAMSON:

11 Q. Could you take a look at Exhibit 22?

12 A. (Witness complies.)

13 Q. Do you recognize that picture?

14 A. Yes.

15 Q. What is it?

16 A. A picture of the bulk currency that was brought
17 that evening.

18 Q. And how did the DEA come to possess that
19 currency?

20 A. We met with the Confidential Source after Adriana
21 Galvan-Constantini departed Laredo at a predetermined
22 location and she provided us with those packages.

23 Q. And through the course of your investigation and
24 from reviewing the recording, are you aware of whether
25 Ms. Galvan-Constantini received payment for her services

1 that evening, that is bringing the cash to Laredo?

2 A. Yes.

3 Q. And how much money was that?

4 A. \$3,000.

5 Q. And did Ms. Blake receive any money for her
6 services in this transaction?

7 A. Yes.

8 Q. And how much money was that?

9 A. 1,500.

10 BY MR. O.J. PENA: Your Honor, may we approach?

11 THE COURT: Yes.

12 (Bench conference begins at 2:48 p.m.)

13 MR. O.J. PENA: I'm trying to clear something up,
14 Your Honor. He says that he knows that my client got paid
15 \$3,000 and I'm trying to determine if that's hearsay or
16 whether he knows that because of something he heard on the
17 recording.

18 THE COURT: I'm assuming he's the one that paid
19 her the \$1,500, right?

20 MS. WILLIAMSON: He's talking about the 3,000.

21 MR. O.J. PENA: No, I'm talking about my client.

22 THE COURT: Oh, your client. Your client got
23 paid 3,000.

24 MS. WILLIAMSON: He testified that as a result of
25 listening to the recording.

1 THE COURT: Oh, listening to the recording.

2 MS. WILLIAMSON: We didn't play the whole
3 recording.

4 THE COURT: So, he hears the recording and that's
5 how he's aware of that. Let ask you all this too since your
6 all on the Record, so let me bring him up here. When did
7 the tapes and transcripts become available to defense
8 counsel? How have they had the tapes and transcripts?

9 MR. MORENO: We started putting out discovery in
10 March.

11 THE COURT: March of?

12 MR. MORENO: Last year.

13 THE COURT: 2018.

14 MS. WILLIAMSON: Which included the audio
15 recordings. The transcripts have been made available as the
16 Government received them.

17 THE COURT: Okay, so all counsel have had the
18 audio recordings since 2018 and then the transcripts were
19 given to you guys or made available as the Government
20 received them. I bring that up because none of these
21 Defendants should be listening or seeing these transcripts
22 for the first time.

23 So, to the extent that I believe the Interpreters
24 are struggling to keep up, they're not seeing these or
25 hearing these for the first time. I trust all of you

1 reviewed this information with your clients.

2 Second of all, you all have been communicating
3 with your clients in the English language is my
4 understanding. You all requested the Court a Hindi
5 Interpreter for purposes of the trial in case something more
6 complicated came up that you all had previously discussed,
7 but I just wanted to make sure the Record reflected that
8 because the Interpreter just stood up and said, "It's going
9 to fast, we're not keeping up," and I don't want anybody to
10 think that their hearing or seeing this for the first time
11 and somehow being deprived of their right to understand the
12 evidence that is being brought in against them.

13 Does anybody want to add anything?

14 MR. O.J. PENA: That was not what my complaint
15 was about.

16 THE COURT: No, I know. You're complaining about
17 where does he know that your client got \$3,000.

18 MR. O.J. PENA: Yeah, whether it was told to him
19 or whether it was something he heard on a recording and I
20 have read it and there's so much data that I can't remember
21 every single thing and so I wanted to clear that up. I
22 think that the proper thing to do was to clear it up.

23 THE COURT: That's fine.

24 MR. BALLI: And my client has seen it but, as far
25 as I know, he doesn't speak any English but I speak to him

1 in Spanish.

2 THE COURT: You're Spanish speaking.

3 MR. BALLI: Yes.

4 THE COURT: Right, but again, if there were any
5 issues with him understanding what was on there, there's
6 some versions that are translated to Spanish, that's on you
7 to you say, "My client doesn't understand these transcripts
8 and these tapes." You-all will have to clean them up.

9 MR. BALLI: No issues, judge.

10 THE COURT: All right. Thank you.

11 MR. MICHAEL MCCRUM: Just so you know, the reason
12 we asked for Hindu translator is because things are spoken
13 so quickly in here and my client does not understand English
14 nor Spanish that quickly. When I do explain to him, I
15 explain in English but slowly and in verbiage that is more
16 basic. And so, it was necessary in my opinion to ask for a
17 Hindu Interpreter.

18 THE COURT: No, and the Court agreed with you.

19 MR. MICHAEL MCCRUM: Okay. I just didn't know if
20 you were questioning that now as if we had something
21 inappropriate.

22 THE COURT: No, no, no. Let me clear up. First
23 of all, if I didn't think you had articulated the basis, I
24 would not have brought in two Hindi Interpreters. It's
25 actually very expensive to have them here. You all

1 articulated the cause, I brought them in, and I understand
2 the reasons.

3 The only point I was trying to make is that these
4 are being played and I have the Interpreters saying, "You're
5 going too fast." It's a whole trial record. I don't want
6 the Appellate Court to think, "Oh my goodness. They weren't
7 even aware of the evidence coming against them."

8 So, I just wanted to clear that up.

9 Okay, thank you.

10 (Bench conference ends at 2:52 p.m.)

11 BY MS. WILLIAMSON:

12 Q. Officer Lozano, what did Ms. Blake do with the
13 money after she and Ms. Galvan left each other's company?

14 A. She gave us, DEA, the money.

15 Q. And how did that come to pass?

16 A. We met up at a predetermined location. It was
17 the middle of the night, so we just told her to give us the
18 money. I believe it was on a Saturday night that we got the
19 money so we had Sunday to play with to set up the deliveries
20 that were to occur.

21 Q. And did Ms. Blake receive instruction on what
22 deliveries to make?

23 A. Yes.

24 Q. And what deliveries did she make that were
25 relevant to your investigation?

1 A. Again, she made deliveries to Laredo businesses
2 and to subjects here in Laredo. One of them was also a
3 delivery to Velasquez Transportes warehouse.

4 Q. Is there anybody in particular in the courtroom
5 today who is associated with any of the deliveries you just
6 described?

7 A. Yes.

8 Q. And who is that person.

9 A. That's Adrian Arciniega-Hernandez.

10 Q. Do you see him in the courtroom today?

11 A. Yes.

12 Q. And would you identify him by where he's sitting
13 and something he's wearing?

14 A. Yes, in the middle table on the top left wearing
15 a maroon jacket.

16 Q. And how much money did Ms. Blake take to the
17 Velasquez Warehouse?

18 A. 30,000.

19 Q. What date was that?

20 A. On March 26, 2012.

21 Q. And is that the same date on which she met with
22 Ms. Galvan-Constantini?

23 A. No, it was either the day after or --

24 Q. When you say the "day after," does that mean like
25 it was the middle of the night and then significantly later

1 on the same day?

2 A. Yes. Within 24 hours, yes.

3 Q. Okay. Could you describe for the circumstances
4 of the delivery she made to the other individual you
5 mentioned?

6 A. There was another individual named Rita Molina.

7 Q. And where did that delivery take place? What
8 kind of setting?

9 A. The money was delivered at a parking lot.

10 MS. WILLIAMSON: And that this point, I'm going
11 to publish Demonstrative BCT-2 to the jury.

12 THE COURT: All right.

13 Any objections, defense counsel?

14 MR. SCOTT MCCRUM: No, Your Honor.

15 THE COURT: Okay.

16 MR. BALLI: No, Your Honor.

17 THE COURT: No objections, at this time.

18 I'm going to remind you, also, that when you
19 talking about a date, make sure you give us the year. I
20 heard you say March 26, I'm not sure on the year.

21 2012?

22 THE WITNESS: 2012. Yes, Your Honor.

23 BY MS. WILLIAMSON:

24 Q. Is that a summary of what we just described?

25 A. Yes.

1 Q. And in regards to the delivery to RM, as it's
2 noted, did you take any further action with regard to that
3 individual?

4 A. I'm not sure I follow the question.

5 Q. For example, did you speak to another law
6 enforcement agency regarding that individual?

7 A. Yes.

8 Q. Could you describe what you communicated, please?

9 A. We provided the information on the description of
10 the vehicle.

11 Q. Why did you do that?

12 A. To conduct a traffic stop and for seizure of the
13 money.

14 Q. Is that consistent with the way that you previously
15 described that traffic stops were a part of your
16 investigation?

17 A. Yes.

18 Q. And looking at this reminds me I have a
19 clarification question on the previous diagram, so I'll put
20 that back up.

21 With regard to BCT-1, I previously asked you if
22 Ms. Blake formulated a plan for what to do with the money
23 and I think I didn't use words as clearly as I should have.

24 Based on your observations of what she did while
25 she was in the presence of you and other DEA officers at the

1 DEA office, did she decide what to do with the money or did
2 she receive instructions on what do to with the money?

3 A. She received instructions.

4 Q. And from whom did she receive those instructions?

5 A. From Ochoa-Rivera.

6 Q. That's the person whose alias is Tio Polo, right?

7 A. Correct.

8 Q. Was that generally consistent throughout the
9 course of your investigation? That she was receiving
10 instructions as to how to deliver the money.

11 A. Yes.

12 Q. So, when I said, "Did she formulate a plan?" and
13 you said yes, she didn't come up with the plan on her own,
14 right?

15 A. Correct.

16 Q. Now, directing your attention to BCT-3, would a
17 diagram be helpful in explaining what happened?

18 A. Yes.

19 MS. WILLIAMSON: And Your Honor, for the Record,
20 I've now provided copies to each member of the defense.

21 THE COURT: Okay.

22 BY MS. WILLIAMSON:

23 Q. Showing you what's been marked as "Government
24 Exhibit 402," for identification, are you familiar with that
25 diagram?

1 A. Yes.

2 Q. Have you previously reviewed it before coming to
3 court?

4 A. Yes.

5 Q. Does it accurately depict the transactions in
6 BCT-3 that you investigated?

7 A. Yes.

8 Q. And will it aid you in explaining BCT-3 to the
9 jury?

10 A. Yes.

11 Q. How did BCT-3 begin?

12 A. Again, the CS gave us information that money was
13 available to be picked up.

14 Q. And was she going to be going somewhere to pick
15 up this money at this time?

16 A. Yes.

17 Q. Where was she going?

18 A. To Velasquez Forwarding, Transportes.

19 Q. And did she communicate that information to you?

20 A. Yes.

21 Q. What, if anything, did you do in response?

22 A. Set up our surveillance team and headed out to
23 where the warehouse is located, which is at 8202 Saint
24 Gabriel Avenue in Laredo, Texas.

25 Q. Directing your attention to Exhibit 6 in that

1 binder, do you recognize it?

2 A. Yes.

3 Q. What is it?

4 A. That's the warehouse.

5 MS. WILLIAMSON: Could we display Exhibit 6,
6 please?

7 BY MS. WILLIAMSON:

8 Q. Is that where Ms. Blake went on April 20th, 2012?

9 A. Yes.

10 Q. What was your understanding of what she was going
11 to do while she was there?

12 A. To pick up money.

13 Q. Did she receive any money?

14 A. Yes.

15 Q. And was the DEA conducting surveillance there
16 during her visit?

17 A. Yes.

18 Q. How much money did she receive?

19 A. \$149,970.

20 Q. What did she when she left Velasquez Transportes
21 with the money?

22 A. We met with the CS at a predetermined location to
23 get the money from the CS, from Ms. Blake, sorry.

24 Q. I beg your pardon. Directing your attention to
25 Exhibits 32, 33, and 34, do you recognize them?

1 A. Yes.

2 Q. what are they?

3 A. That's the box that Ms. Blake received the money
4 in.

5 MS. WILLIAMSON: Could we display Exhibit 32,
6 please? And Exhibit 33?

7 BY MS. WILLIAMSON:

8 Q. Officer Lozano, do you see Exhibit 33?

9 A. Yes.

10 Q. And what is it?

11 A. A white box, cardboard box.

12 MS. WILLIAMSON: Could we display Exhibit 33,
13 please?

14 BY MS. WILLIAMSON:

15 Q. What's the view that we're looking at there?

16 A. The bulk cash that's inside the white box.

17 Q. Is that how the box arrived in DEA's possession?

18 A. Yes.

19 Q. And where is that photograph taken?

20 A. That's in one of our workspaces.

21 MS. WILLIAMSON: And could we move to Exhibit 34,
22 please?

23 BY MS. WILLIAMSON:

24 Q. And what is that a picture of?

25 A. What was inside the box.

1 Q. And did DEA count the money like you previously
2 described?

3 A. Yes.

4 Q. How much was it?

5 A. \$149,970.

6 Q. And was Ms. Blake at the DEA office at this
7 point?

8 A. No.

9 Q. Had she gone to the DEA office or did she meet
10 you at a predetermined location to hand off the money?

11 A. She met us at a predetermined location and handed
12 off the money.

13 Q. Are you aware of whether she received
14 instructions on what to do with the money?

15 A. Yes.

16 Q. How do you know that, if she wasn't there?

17 A. She told us.

18 Q. Did you set up surveillance in response to that?

19 A. Yes.

20 Q. Are you aware of whose instructions she was
21 operating under?

22 A. Ochoa-Rivera, Tio Polo.

23 Q. At this point in your investigation, did you
24 deploy any new audio or video recording equipment?

25 A. I believe we started using what we call our video

1 recording device. It's a purse that we set up to have
2 capabilities to record audio/video.

3 Q. Could you turn to Exhibit 31 or 31A, excuse me?

4 A. (Witness complies.)

5 Q. Is Exhibit 31A a photograph of the purse you just
6 described?

7 A. Yes.

8 Q. And have you brought that purse to court today?

9 A. Yes, should be inside that laptop bag.

10 Q. Officer Lozano, I've just handed you Exhibit 31.
11 Is that the purse that Ms. Blake used during the course of
12 this investigation to capture recordings?

13 A. Yes.

14 Q. Could you show it to the jury, please? And
15 could you explain how it was supposed to work?

16 A. Yes. What DEA did to this purse is that they
17 put a button camera right on this -- I don't know if you're
18 able to see it, but there's a small, black screw right
19 there, has a button camera that can record video. And then
20 within the stitching, there's a microphone, also. Real
21 small. I was trying to find it earlier, I couldn't even
22 find it, but there's a small little microphone right there
23 to capture the audio and video.

24 And then it's a normal purse, so if somebody were
25 to try to find out what she has in there, it would be

1 difficult.

2 Within one of the zippers, that's where you have
3 the mechanism that will start the recording device. You
4 have your switch, you have your, kind of like a thumb drive
5 that will hold the memory of what's being recorded. And
6 every time we met with the Confidential Source, I would be
7 the one to turn it on before she headed out.

8 Q. Did you provide her instructions on how it
9 worked?

10 A. Yes. One of the main things that I remember
11 instructing her is that where the button is, the chrome
12 button, that's where the camera faces forward because
13 there's no camera in the back. So, the instruction was to
14 try to maintain that facing forward.

15 Q. And turning your attention to Exhibit 35 in the
16 binder, do you recognize it?

17 A. Yes.

18 Q. And what is it?

19 A. That's Ms. Blake right outside of El Reino.

20 Q. How did the DEA acquire that photograph?

21 A. Through surveillance.

22 MS. WILLIAMSON: Could we show Exhibit 35,
23 please?

24 BY MS. WILLIAMSON:

25 Q. It's hard to see in this lighting, but are you

1 able to see in your version there Ms. Blake walking into
2 El Reino as you described?

3 A. Yes.

4 Q. And did she have the purse with her?

5 A. I believe so.

6 Q. Are you aware of whether there was an attempt at
7 a recording of that meeting?

8 A. Yes.

9 Q. And at the end of that meeting delivery, did
10 Ms. Blake provide you with anything?

11 A. I would have had to have been a receipt.

12 Q. And turning to Exhibit 36A in the binder, do you
13 recognize it?

14 A. Yes.

15 Q. And what is it?

16 A. It's a receipt from El Reino.

17 Q. What's the dollar amount on that receipt?

18 A. \$30,000.

19 MS. WILLIAMSON: Could we display Exhibit 36,
20 please?

21 BY MS. WILLIAMSON:

22 Q. What did you do with the receipt after you
23 received it?

24 A. We put it into evidence.

25 Q. Are there particular DEA procedures associated

1 with that you just described?

2 A. Yes.

3 Q. Can you give a basic overview for the jury,
4 please?

5 A. Yes. So, if we were to receive -- once we
6 determine that we're going to make this receipt into what we
7 call a non-drug exhibit, we have evidence bags that we place
8 whatever item is going to be a non-drug exhibit, and there
9 is always a witness that'll sign their name saying that they
10 witnessed that the bag was sealed and, of course, it's a
11 self-sealing envelope, kind of, a transparent. And so, we
12 seal that up then there's other paperwork that we have to
13 submit to our non-drug evidence custodian and then we submit
14 the item as a non-drug exhibit.

15 Q. The receipt appears to say Corina. Can you
16 remind us if you know who that is?

17 A. Yes, Corina is Corina Blake, our Confidential
18 Source.

19 MS. WILLIAMSON: And Mr. Chappa, if we could
20 switch over to --

21 BY MS. WILLIAMSON:

22 Q. Was the \$30,000 on that receipt consistent with
23 the amount of cash the DEA provided Ms. Blake on April 20,
24 2012, to deliver to El Reino --

25 A. Yes.

1 Q. -- as instructed by Mr. Ochoa-Rivera and
2 Mr. Rodriguez-Gonzalez?

3 A. Yes.

4 Q. Directing your attention next to BCT-5, and
5 specifically Exhibit 47A, do you recognize Exhibit 47A?

6 A. Yes.

7 Q. What is it?

8 A. It's a conversation from the consensual intercept
9 that we had with the Confidential Source, Corina Blake. A
10 conversation between her and Ippolito Ochoa-Rivera.

11 Q. And are you looking at the transcript there as
12 Exhibit 47A?

13 A. Yes.

14 Q. Have you previously reviewed it?

15 A. Yes.

16 MS. WILLIAMSON: Could we play audio, please, of
17 47A?

18 (Pause in the proceedings.)

19 MS. WILLIAMSON: Well, I had hoped that the
20 answer to that question would be, "yes."

21 (Pause in the proceedings.)

22 MR. O.J. PENA: Your Honor, perhaps the
23 Government should turn off the screen for the jury looking
24 at their files.

25 THE COURT: It's off.

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1 MR. O.J. PENA: There's a risk that it could --

2 THE COURT: It's off, it's off.

3 MS. WILLIAMSON: I believe that all of that
4 content has been admitted into evidence for the Record.

5 THE COURT: And I guess, that's a good caveat for
6 everybody, if you publish anything to the jury, it needs to
7 be something that had already been admitted into evidence.

8 (Exhibit 47A, a recording, was played to the the Court
9 and jury.)

10 MALE SPEAKER: What's the number of that exhibit?

11 MS. WILLIAMSON: 47.

12 MALE SPEAKER: Thank you.

13 BY MS. WILLIAMSON:

14 Q. Officer Lozano, Mr. Ochoa used the term
15 "documents" in that phone call. Based on your
16 investigations -- or documentos in Spanish, documents on the
17 translation. Based on your investigation, are you aware of
18 what he was referring to?

19 A. Yes.

20 Q. And what was that?

21 A. He was referring to money.

22 Q. How did you come to understand that?

23 A. Based on CS information and based on my
24 experience investigating money laundering organizations.

25 Q. I also heard "Los Torres" and saw a translation

1 on the screen. What's Los Torres?

2 A. Los Torres is --

3 Q. In the context of this investigation.

4 A. -- the code word that they use to describe New
5 York City.

6 Q. And how did you come to understand that or
7 determine that?

8 A. It's an unfortunate thing but it's from the twin
9 towers and that's what they use to describe New York City.

10 Q. So, given the codewords that you've just
11 described to us, how did you interpret this conversation?
12 It's not about picking up documents at a set of towers, is
13 it?

14 A. No.

15 Q. What is it?

16 A. That there was a money courier in New York that
17 had money.

18 Q. And I also saw Arturo. Who's Arturo?

19 A. That's Gabriel Arturo Castillo.

20 Q. And was he frequently referred to by his middle
21 name, Arturo, in the course of this investigation?

22 A. Yes.

23 Q. Would a diagram be helpful in explaining what
24 happened next?

25 A. Yes.

1 Q. Yeah, here we go. This is 5. Showing you what's
2 been marked as Government 403. For identification, it's
3 labeled at the top as BCT-5. Are you familiar with this
4 diagram?

5 A. Yes.

6 Q. Have you previously reviewed it before coming to
7 court?

8 A. Yes.

9 Q. Does it accurately depict the transactions in
10 BCT-5 that you investigated?

11 A. Yes.

12 Q. Will it aid you in explaining BCT-5 to the jury?

13 A. Yes.

14 Q. So, did Ms. Blake contact you after the
15 conversation we just heard that she had with Mr. Ochoa?

16 A. Yes.

17 Q. And did you do anything in particular after
18 speaking with her?

19 A. Again, we set up our surveillance team and we
20 instructed Ms. Blake to meet us at a predetermined location.

21 Q. You instructed her to meet you at a predetermined
22 location when?

23 A. When she placed the call to me.

24 Q. And did she proceed to Velasquez Forwarding,
25 Velasquez Transportes warehouse?

1 A. Yes, after our brief meeting.

2 Q. And was the DEA performing surveillance during
3 that time?

4 A. Yes.

5 Q. Now, directing your attention to Exhibit 57A, do
6 you recognize it?

7 A. Yes.

8 Q. What is it?

9 A. It's another recorded call between Ochoa-Rivera
10 and the Confidential Source.

11 Q. have you previously reviewed it?

12 A. Yes.

13 MS. WILLIAMSON: Could we play 57, please?

14 (Exhibit 57A, a recording, was played to the Court and
15 jury.)

16 BY MS. WILLIAMSON:

17 Q. Based on your surveillance, where was Ms. Blake
18 when she had that communication?

19 A. Inside the Velasquez Transportes warehouse.

20 Q. And are you aware of whether Mr. Castillo arrived
21 that day with the \$5,000 they mentioned?

22 A. He didn't.

23 Q. So, how much money did Ms. Blake receive at the
24 warehouse on April 27th, 2012?

25 A. \$20,000.

1 Q. From whom?

2 A. From Mr. Adrian Arciniega-Hernandez.

3 Q. And what happened to the \$20,000 after Ms. Blake
4 received it?

5 A. That money was taken to El Reino.

6 Q. Did it stop at DEA in between?

7 A. Yes.

8 Q. And was it processed per the procedure you
9 previously described?

10 A. Yes.

11 Q. And did Ms. Blake deliver any of the money that
12 day?

13 A. Yes.

14 Q. How much?

15 A. \$20,000.

16 Q. And you said she made that delivery to El Reino?

17 A. Yes.

18 Q. And what was the date?

19 A. April 27, 2012.

20 Q. And from whom did she receive the instructions on
21 her delivery, if anyone?

22 A. From Ochoa-Rivera, Tio Polo.

23 Q. And on whose behalf was she instructed to make
24 the delivery?

25 A. On Jose Luis Rodriguez.

1 Q. Did the DEA perform surveillance of that
2 delivery?

3 A. Yes.

4 Q. And what, if anything, occurred immediately
5 following the delivery? Did you meet the CS, Ms. Blake?

6 A. Yeah, we met the CS again at a predetermined
7 location.

8 Q. And did she provide you with anything during that
9 meeting?

10 A. It would have had to have been a receipt, also.

11 Q. And let me ask you, as part of your procedure in
12 meeting with her before and after her deliveries, you were
13 handing over bulk cash to make deliveries, right?

14 A. Yes.

15 Q. Are there any procedures that DEA agents should
16 observe in doing those kinds of meetings?

17 A. Yes, we have to make sure that the Confidential
18 Source does not have any bulk cash on them --

19 Q. Why?

20 A. -- before or even after.

21 Q. Why?

22 A. To take an accurate account of how much money was
23 actually delivered. And then many times, or every time we
24 would give her \$20,000 and then she would come back with a
25 \$20,000 receipt.

1 Q. And did that happen in this instance? That she
2 came back with a receipt that matched the amount that you
3 gave her?

4 A. Yes.

5 Q. And turning to Exhibit 45A in the book, do you
6 recognize it?

7 A. Yes.

8 Q. What is it?

9 A. It's a receipt from El Reino.

10 MS. WILLIAMSON: Could we put Exhibit 45 up,
11 please?

12 MR. O.J. PENA: Your Honor, I thought that - this
13 doesn't pertain to me, but I imagine one will soon. I
14 thought that they were going to redact. That's what I
15 understood when we started putting these in.

16 THE COURT: It is redacted to the extent you all
17 communicated anything. Do you all want to approach? Feel
18 free.

19 (Bench conference begins at 3:24 p.m.)

20 MR. O.J. PENA: I thought they were being
21 redacted, but I assumed it would be unredacted as the
22 evidence was being presented and that was the way the first
23 one occurred.

24 THE COURT: What are you referring to? Be very
25 specific.

1 MR. O.J. PENA: Look. Okay, this one. This part
2 should have been redacted, I would think, considering
3 they're presenting evidence on that.

4 THE COURT: They were not redacted from we've not
5 heard I think three or four BCTs and that portion of it is
6 not redacted. Well, see that sticky? That was redacted.

7 MR. O.J. PENA: But you can see right through the
8 sticky.

9 MS. WILLIAMSON: That was not my intention.

10 THE COURT: Well then, make sure that you can't
11 see through these stickies.

12 MS. WILLIAMSON: I understand.

13 THE COURT: But that's the only thing -- the only
14 question I have left.

15 MR. O.J. PENA: No, no, I'm not, I'm not
16 objecting to the admission of the exhibit. It's more of an
17 order of operations issue is that this evidence was coming
18 in before the testimony.

19 THE COURT: No, sir, that's all part of the tape.
20 Those are the individual that were on the tape with the CS.

21 MALE SPEAKER: It calls that argument.

22 THE COURT: But he's testified to all of it
23 before he's publishing anything.

24 MR. O.J. PENA: He testified that Puma gave the
25 money to Ochoa-Rivera.

1 THE COURT: He testified that Ochoa-Rivera gave
2 instructions to the CS. They're on the phone talking and --

3 MS. WILLIAMSON: To deliver on behalf of.

4 THE COURT: To delivery money on behalf of Ochoa.

5 MR. O.J. PENA: This part was on there, Your
6 Honor. I thought we were talking about up to here. I must
7 be mistaken, Your Honor. However, I will note though that
8 when it's on the screen you can see right through this.

9 MS. WILLIAMSON: And I didn't realize that and I
10 will double sticky them.

11 MR. MORENO: He's not going to testify about the
12 fact that (indiscernible).

13 THE COURT: That is true. The 8300s, that
14 portion that the sticky purports to cover are all in
15 evidence so all of yours. The only reason that he's covered
16 them though is because he's not talking about that portion.

17 MS. WILLIAMSON: But we will have some else at --

18 THE COURT: They'll have someone else.

19 MR. O.J. PENA: Well, but that --

20 THE COURT: It's in evidence, but look --

21 MR. SCOTT MCCRUM: The ones that weren't filed in
22 evidence, there's enough in evidence that one wasn't. They
23 have been admitted or we have the report of.

24 MR. O.J. PENA: This one, these were sent to us
25 yesterday.

1 THE COURT: Look --

2 MS. WILLIAMSON: No, those I sent today.

3 MR. O.J. PENA: These were sent just today, Your
4 Honor. I don't remember --

5 THE COURT: They are demonstrative, they're not
6 evidence so (indiscernible) I think you said at one point
7 (indiscernible) admitted to be publish the demonstrative and
8 they're supposed to be in conjunction with this testimony.

9 MR. O.J. PENA: Well, I --

10 THE COURT: Can you formulate a specific
11 objection?

12 MR. O.J. PENA: Yes, Your Honor. I think that
13 they're getting ahead of themselves and it's confusing to
14 the jury. And I understand that we agreed to admissibility
15 of certain evidence and I'm not disagreeing with that and
16 I'm not going back on that, Your Honor, but I received these
17 today is what I understand there are some other
18 demonstratives that we received yesterday as well --

19 THE COURT: Okay. Let me just give the jury and
20 afternoon break and then we can debate this, but why don't
21 you all think about this, talk about it amongst yourselves
22 and we'll circle back.

23 (End bench conference at 3:27 p.m.)

24 THE COURT: All right. Ladies and gentlemen,
25 let's that a 15-minute break and we'll come back. Thank

1 you.

2 THE CLERK: All rise.

3 (Jury exits the courtroom at 3:28 p.m.)

4 (Recess taken from 3:28 p.m. to 3:34 p.m.)

5 AFTER RECESS

6 (Outside the presence of the jury.)

7 THE CLERK: All rise.

8 THE COURT: All lawyers back? Not quite.

9 All right. Well, you're the one that raised this
10 last objection -- disregard.

11 MR. O.J. PENA: Your Honor?

12 THE COURT: Hold on, Mr. Pena. We're not on the
13 Record. Hold on a second. He's coming, he's coming.

14 In 21 seconds, we'll be on the Record so hold on.

15 THE CLERK: He had it on.

16 THE COURT: Oh, it was on? Okay, all right.

17 Okay, Mr. Pena. So, you prefaced your objection
18 with "This doesn't affect my client, but it's going to
19 affect future things" and -- what's your objection?

20 MR. O.J. PENA: I think the Government is getting
21 ahead of themselves. I think they're abusing these
22 demonstratives a little bit, Your Honor, in that --

23 THE COURT: Okay. Hold on, hold on, hold on.
24 I'm sorry. Interpreters were not in place.

25 COURT INTERPRETER: Your Honor, I thought it was

1 a 15-minute break. I apologize.

2 THE COURT: No, no. I have a tendency to do
3 that. I'll say 15 minutes and I come back in five and I'm
4 sorry. I'm sorry.

5 No, no, no, no. It's okay.

6 (Pause in the proceedings.)

7 THE COURT: That's fine. Let's just wait.

8 I guess, as we're waiting though, give me a
9 specific legal objection. So, just be thinking about that.

10 (Pause in the proceedings.)

11 MR. O.J. PENA: Am I still thinking? Are we
12 waiting for somebody, Your Honor?

13 THE COURT: I don't know. Let's make sure we have
14 everybody. Looks like we've got the Spanish Interpreters,
15 our Hindi Interpreters. Looks like we need one more --

16 MALE SPEAKER: I'm here.

17 THE COURT: Oh, no. Okay. Everybody's here.

18 No, he's drinking tea. He doesn't drink coffee.
19 He's drinking his tea.

20 All right, Mr. Pena. Go ahead, sir.

21 MR. O.J. PENA: Your Honor, I guess the legal
22 argument is that it's not in evidence, Your Honor. Let me
23 give you an example. I'm looking at BCT-10, which hasn't
24 come in yet.

25 THE COURT: All right. Let's see. I'd like to

1 see what you're looking at so hold on a second. Let's put
2 it on the screen.

3 MALE VOICE: The demonstrative?

4 MR. O.J. PENA: BCT-10, BCT-5. BCT-10 and BCT-
5 10, for example.

6 THE COURT: Okay, but BCT-10 they haven't gotten
7 to.

8 MR. O.J. PENA: Right.

9 THE COURT: Right.

10 MR. O.J. PENA: But I'm using it as an example.
11 But they have gotten to BCT-5.

12 THE COURT: Right.

13 MR. O.J. PENA: And for example, in BCT - may I
14 use your ELMO here?

15 THE COURT: Yes, sir, of course.

16 MR. O.J. PENA: In BCT-10 and BCT-5, we have --
17 well, I was putting them up -- we have pesos here and I know
18 that, for example, Your Honor corrected me and explained
19 that the link was made in that audio record.

20 THE COURT: Yes.

21 MR. O.J. PENA: But I don't think that they
22 specifically said, "It's going to be paid in pesos." That's
23 an example of what I mean when I say that we've got things
24 on here, we have premises on here that have not been proven.
25 I think there's --

1 THE COURT: Okay, and so that's what I'm going to
2 ask you. Take it one by one. Okay. So, if nobody has
3 talked about pesos, do you want a sticky placed on the pesos
4 portion?

5 MR. O.J. PENA: I would like them to reveal it
6 and the testimony is being revealed, Your Honor. That's
7 all.

8 THE COURT: Okay, so that's fine.
9 Government?

10 MS. WILLIAMSON: It's in evidence, Your Honor.
11 The calls regarding that are in evidence and Officer Lozano
12 has listened to them.

13 THE COURT: Okay, but is that the call that's
14 testifying about right now?

15 MS. WILLIAMSON: It was not the literal words of
16 the call. It is an inference based on the fact that, as far
17 as this particular segment of testimony goes, it is an
18 inference based on the fact that Tio Polo instructed
19 Ms. Blake to deliver on behalf of Puma.

20 THE COURT: Right, but if it's not on this call,
21 how could he make that inference? And he may have heard 300
22 other calls, but it's not on this call that's being played
23 and we're putting this up as a demonstrative on this
24 particular transaction, how can we make this leap right now?

25 MS. WILLIAMSON: I can play additional calls,

1 Your Honor.

2 THE COURT: Right. Well then, I think that's
3 what they're saying. Do that before those sections or
4 segments are revealed to the jury. And so, only reveal the
5 portions that you've already presented information on.

6 I understand that it's in evidence but he's your
7 witness right now. And so, I guess what I'm hearing from
8 Mr. Pena, in a way, you're getting ahead of yourself on the
9 things that you're publishing to the jury.

10 MS. WILLIAMSON: It's in evidence, Your Honor.

11 MR. O.J. PENA: Well, it's in evidence, Your
12 Honor, but it still has to be presented to the jury and I
13 don't think that --

14 THE COURT: No, no. Counsel, I agree with you.
15 All right? I'm agreeing with you on that.

16 MR. O.J. PENA: I'm not asking them to present
17 more phone calls.

18 THE COURT: Right.

19 MR. O.J. PENA: And I want to be clear because
20 Your Honor said, "I think that's what Mr. Pena's asking
21 for." That's not what I'm asking for. I'm just asking them
22 to reveal it as they go along so that it makes sense.

23 THE COURT: I think I just restated what you just
24 said, Mr. Pena.

25 Government, the test is not "is something in

1 evidence?" The problem is that when he's testifying and you
2 say, "is there a demonstrative that can be helpful to the
3 jury on this transaction," and you put it up there, the
4 inference is somehow that that's already been revealed in
5 this call or that he has personal knowledge of it somehow
6 and he may, and at some point this demonstrative can be used
7 at a later if you need to bring it back in, but right now,
8 that's just not before the jury, neither is the Form 8300
9 situation.

10 MS. WILLIAMSON: No, and that one has not yet
11 been redacted and that's why that's there.

12 THE COURT: Okay. So, when you all look at these
13 demonstratives, just ask yourself whether you're going to
14 lay the foundation with this witness and the evidence that
15 they're hearing that is covered on there and if it's not,
16 then cover it up.

17 MR. MORENO: And I was going to ask just for
18 future because sometimes it's just efficiency because the
19 only way to cover everything is to play everything and we
20 didn't intend to play every single call that was admitted
21 because if it's been admitted, it would be available because
22 otherwise, we have to play every day.

23 THE COURT: Well, you're going to have to at
24 least play one call that covers, for example, the pesos,
25 which is that we are talking about on this slide. I'm not

1 saying play all 300 calls. Play at least one that covers
2 that portion of it.

3 MS. WILLIAMSON: Is it the Court's ruling that
4 the Government needs to play that call or just that the
5 Government needs to elicit testimony that that call exists?

6 THE COURT: Well, either/or and then, I guess, if
7 we get on objections, we get an objection then.

8 MR. SCOTT MCCRUM: I think the issue, Judge, and
9 I don't want to be objecting when we bring the jury in if we
10 can resolve this right now, I think the issue is confusion
11 to the jury when it's being put out of order. So, even with
12 these covered, and the reason I'm saying I don't want to do
13 it later is I didn't make such an issue when they covered
14 this little 8300, but when you get to 10, look at all that
15 that's covered. And so, it tends to confuse the jury even
16 if it's covered.

17 THE COURT: Okay, there I disagree with you
18 because here's the situation. I think if we can go back to
19 one of the final pretrials that we had, they wanted to
20 present these kind of like transaction by transaction,
21 witness by witness and if they had maybe been able to do
22 that, we wouldn't have anything cover, but you all
23 strenuously objected to that and I sided with all of you.

24 So, because of that, we now have this witness
25 that's going to cover whatever it is that he knows then

1 we're going to have maybe another witness where we may
2 uncover another little part of it, but that was based on the
3 objections launched by all of you.

4 MR. SCOTT MCCRUM: Judge, the objection was that
5 it should come in as they're presenting this. One
6 demonstrative at --

7 THE COURT: No, I understand but that's the
8 reason things are covered and I'm going to hold them to
9 that. I'm with you on that. I'm going to hold them to
10 that. It's just that now you're saying, "Well, we don't
11 want it even up there because there's still things that are
12 covered."

13 So, you can't have it both ways. Either go back
14 to the origin proposed, transaction by transaction and we
15 can bring in five witnesses on one transaction then we go to
16 the second transaction or we do what you all wanted which
17 is, he's going to cover whatever he knows and whatever he's
18 done and whatever he has direct evidence of.

19 MR. SCOTT MCCRUM: Forgive me, but I don't recall
20 -- and I trust the Court completely, but I just don't recall
21 that I agreed to this.

22 THE COURT: I'm not saying that any of you agreed
23 to this. I'm saying that this is a result of me not
24 allowing them to present their case the way they originally
25 wanted to present it. That's what I'm saying.

1 MR. SCOTT MCCRUM: How's that?

2 THE COURT: Because the reason that some - this
3 is how I understand it, you all correct me if I'm wrong, but
4 what I'm understanding is these things that are covered
5 because there's other witnesses that would bring in that
6 information.

7 MR. SCOTT MCCRUM: Right.

8 THE COURT: But it's just that we now have this
9 witness that's going to talk about everything, then you all
10 are going to cross-examine him on everything and then these
11 other portions are going to come in through other witnesses.

12 MR. SCOTT MCCRUM: Yes, ma'am, and I think that
13 was our intent then. I think it would be better to do it
14 that way and it can be done that way. What throws a kink in
15 it is when they want to display something that would create
16 that confusion that's not consistent with following this
17 order.

18 So, we can do it that way, Judge. Just don't use
19 a demonstrative that has things on that are all covered up.

20 THE COURT: Why?

21 MR. SCOTT MCCRUM: Because it tends to confuse.
22 You have things covered up and the jury, as they're
23 receiving evidence, saying, "Well, that's covered, but what
24 is going on with this that we can't even know about."

25 THE COURT: I will tell them not to worry about

1 that but that may or may not come in through later
2 testimony.

3 MR. O.J. PENA: My concern, Your Honor, is that
4 we're getting ahead of ourselves. I understand the use of
5 demonstrative evidence, but it shouldn't be used to -- it
6 should not be used in a way that confuses demonstrative
7 evidence with substantive evidence, and when you put the
8 demonstrative evidence into their minds before the
9 substantive evidence, it's confusing because I can tell you
10 my experience was I was sitting there and I looked up and I
11 thought to myself, "Did I miss that?" Well, obviously, I
12 did miss one of them, but I went back through them but I
13 realize there was stuff that I didn't miss like they never
14 mentioned pesos.

15 THE COURT: Well, that was the one thing,
16 counsel, and I agree with you there that if something hasn't
17 come in, that should be covered. I agree with you on that.

18 MR. O.J. PENA: And I use pesos as an example
19 only to illustrate the point I'm trying to make, Your Honor.
20 That's all.

21 THE COURT: And you've made your point, I don't
22 disagree with you, and I've now instructed them to redact.

23 MR. MICHAEL MCCRUM: I have a slightly thing.
24 It'll only take a minute, Judge. I'm taking what I think
25 are the ones I've brought up here, Your Honor.

1 MR. SCOTT MCCRUM: And just as we're finishing up
2 this issue, though, we trust that there'll be another
3 sticky.

4 MS. WILLIAMSON: I have them right here.

5 THE COURT: Triple sticky them so that nothing
6 bleeds through.

7 MS. WILLIAMSON: And if I may have a moment
8 before the jury comes back?

9 THE COURT: Yes.

10 And of course, you know, today's Thursday, we
11 don't have court tomorrow. If you all are going to continue
12 with demonstratives, perhaps the best way to deal with it is
13 for you not to have these stickies. Just build upon them, I
14 guess. I don't know complicated that would be, but build
15 upon them as you go through your witnesses.

16 In other words, figure out what this witness has
17 to say and then if you're going to have a second witness,
18 then you can add that part of the puzzle and then a third
19 witness, you would add another part. I don't know.

20 MR. O.J. PENA: Or you could build them downward
21 and reveal them as you go downward, Your Honor, like a flow
22 chart going downward.

23 THE COURT: There's ways that this problem can be
24 solved. I agree.

25 All right, Michael McCrum.

1 MR. MICHAEL MCCRUM: Judge, thank you. My issue
2 on this most recent which we did, which is BCT-5, it's a
3 transcript 20 and then there's a bottom thing here. The
4 only call that was referencing Puma was that first exhibit
5 that they played, which was 47A with a transcript.

6 It says, "Go with Arturo with those 50 and give
7 them to Puma because they're pushing me here," now obviously
8 20 goes here. There's a reference here that is an inference
9 from the agent so there's a couple problems here that I see.
10 This one is that it doesn't relate to the 50. It was
11 April 26th, the phone call, but this is a \$20,000
12 transaction and it shows to be a direct line. That's the
13 evidence that this demonstrative is showing where the
14 transcript didn't support the testimony.

15 And so, it's a reach, for one, and so part of my
16 objection is that a demonstrative is supposed to be an
17 accurate reflection only the actual evidence coming in not
18 an inference being made, or they're asking the jury to make
19 an inference, that it relates to it. This whole bottom half
20 of the transaction is nothing but an inference, I would
21 assume, by the Government agent based on a call the day
22 before regarding 50,000 going to Puma but not referencing
23 the Jaggis.

24 That is inference upon inference and my objection
25 to the Court is that that's an improper demonstrative

1 exhibit when it's inference upon inference. As I understand
2 demonstratives, they're like bank records. You just put
3 exactly what the record said, put a summary in so that
4 there's no inference being built into it, there's no
5 argument. They're not argumentative.

6 THE COURT: I understand.

7 MR. O.J. PENA: Okay. You know where I'm going?

8 THE COURT: And I agree with the bottom portion.

9 MR. O.J. PENA: I'm sorry, Judge. Sorry to
10 interrupt you.

11 THE COURT: I agreed that there had been -- I
12 think we've established that the "pesos" down there was
13 inference and I've already said, "Let's take that out."

14 And then, the other portion that you referenced
15 though, you're saying that there is a call that talked about
16 50 but now we have -- is it the same?

17 MS. WILLIAMSON: 20.

18 THE COURT: We only have 20 showing.

19 MR. O.J. PENA: We only have 20. We don't even
20 know where 50 is in this transaction. Just if there was a
21 call and so they linked it together.

22 THE COURT: All right. Let me hear from the
23 Government.

24 Response?

25 MS. WILLIAMSON: Your Honor, I think what the

1 call said was to go and pick up 25 and then as the agent --
2 or as the call demonstrated, Ms. Blake went to the
3 warehouse, she received 20. She was waiting on Mr. Castillo
4 for the other five and Mr. Castillo did not arrive with the
5 other five, as the agent testified based on his
6 surveillance. So, she got 20.

7 THE COURT: Right.

8 MR. MICHAEL MCCRUM: The first call they played
9 only says 50, there's nothing about 25. She's referring to
10 the next call they played, which is Government Exhibit 57A,
11 and that may refer to 25. But again, we're now talking
12 about inference upon inference on a demonstrative exhibit.
13 It's one thing to -- I just find great fault with the
14 demonstrative exhibit that has argumentative and
15 inferential.

16 THE COURT: All right.

17 MR. MICHAEL MCCRUM: On BCT-3, just as a final
18 note, they put BCT-3 up there, I didn't say anything, they
19 have a whole bottom section here that apparently links all
20 of these people together. They didn't put one call in there
21 about Puma or anything going to Mexico. This just came out
22 of the blue on this chart. There's nothing to support this
23 demonstrative exhibit so far with respect to the exhibits
24 admitted into evidence.

25 THE COURT: Okay, and I think at this point you

1 indicated -- I'm sorry. At this point you indicated on this
2 one you hadn't said anything. So, the jury's already seen
3 this and heard this so that bell's been rung, but let me
4 figure this out though.

5 Government, you've heard the arguments.

6 MS. WILLIAMSON: It's call 38 and call 40 respond
7 to Mr. McCrum's latest point about the connection with Puma
8 and the pesos. Those are in evidence, we did not discuss
9 them at this juncture, but, as Officer Lozano testified, he
10 reviewed all of the transcripts.

11 THE COURT: Right, but I think the point being
12 made here is, you know, I guess don't get ahead of yourself
13 on those and they're objecting. And so, if you want to
14 eventually use a demonstrative, sounds to me what I'm
15 hearing from them all of them is you're going to have to
16 play the other tapes.

17 MS. WILLIAMSON: We can certainly play more
18 tapes, Your Honor.

19 MR. O.J. PENA: Your Honor, that's not the only
20 solution. The other solution is that a demonstrative be
21 used as a summary once the evidence has been presented so
22 that we can then properly then look at these things and go
23 through the checklist and ask ourselves if there was
24 evidence presented here. We could even confer about it the
25 night before and that would give us time to be able to go

1 through the exhibits and see what was presented and what is
2 supported in these. I thought they went into a false sense
3 of security because on the first one I heard these are going
4 to be redacted and I was sitting back there taking notes and
5 I trusted that they were going to be redacted and then
6 uncovered as the evidence was being revealed.

7 Now, I thought it was a poor way of doing it
8 because it's just bad form. I think the better way to do it
9 is at the end once the testimony has come on.

10 THE COURT: All right, but hold on a second. I'm
11 not going to direct them how to present their case. All of
12 you need to understand that. I'm not going to do it with
13 you.

14 What I am going to do though is observe the
15 principles that you all want me to observe, which is if
16 you're going to put on a demonstrative, you had to have
17 presented all of that evidence that backs up everything
18 that's in the demonstrative. And so, you're going to have
19 to go through that checklist and so what I would recommend
20 that you do is hand them the demonstrative and as you're
21 playing tape by tape by or eliciting testimony, do it in
22 such a way that, you know, you all are going to be listening
23 to the tape. You have the transcripts, be checking off.

24 And then when she says, "I'm now going to
25 publish," if you think that there's something that hasn't

1 been checked off, then let me know.

2 How does that sound? Because we've got to find a
3 solution here.

4 MR. MICHAEL MCCRUM: That's the way it should
5 have been done.

6 THE COURT: I'm not going to direct them to do it
7 at the very end because the defense things that's better.
8 I'm not going to do that. I'm not going to that to you.

9 MR. O.J. PENA: And that was just my opinion.

10 THE COURT: Right. No, I know.
11 Government?

12 MS. WILLIAMSON: We can go back and play the
13 calls from BCT-3, Your Honor.

14 THE COURT: Okay.

15 MS. WILLIAMSON: We have them on the Exhibit
16 List. May I have a moment to make sure they're queued up?

17 THE COURT: Yes, that's fine.

18 (Pause in the proceedings.)

19 MS. WILLIAMSON: Your Honor, we do have calls 38
20 and 40 queued up. If I could just have a moment to make
21 sure that my affairs are in order and my double and triple
22 stickies are affixed?

23 THE COURT: Yes, that's fine. Yes, ma'am.
24 That's fine.

25 And then I guess, now all future demonstratives,

1 just get them over to the defense. Do it the day before if
2 you can -- or I'm not going to say if you can.

3 MS. WILLIAMSON: Yes.

4 THE COURT: Just get it to them the day before
5 and we can avoid all of this because --

6 MR. MICHAEL MCCRUM: Judge, I'm not asking that
7 they go backwards to BCT-3. As a matter of fact, I object
8 to it. It's just bolstering. It doubles up evidence on
9 something. Let's just move forward, I think, Judge, the way
10 it's supposed to. What I ask the Court to --

11 THE COURT: Okay. No, that's fine. So, you're
12 waiving then the objections you now raised on BCT-3? You
13 don't want them to play those calls?

14 MR. MICHAEL MCCRUM: I couldn't have waived. I
15 just brought it up as an example. I didn't object to BCT-3.

16 THE COURT: All right. So then, there is no
17 objection on the Record. It's just something they're
18 highlighting for future BCTs.

19 MR. O.J. PENA: I agree, Your Honor. I feel the
20 same way. I say let's move forward. Whatever happened,
21 happened. It got by me, but once I realized what was
22 happening --

23 MALE SPEAKER: Your Honor, what is their plan to
24 play them anywhere?

25 THE COURT: I'm sorry. No.

1 MR. MORENO: Because you have them. And so,
2 they've been admitted into evidence and you all know what's
3 in the calls in between. And understand the jury hasn't
4 heard them, but that would be our concern not the concern of
5 yours. But they know what's in the evidence, they've seen
6 them all, they've all been admitted, they're all in between
7 but if we have to, we'll just play every single call. This
8 is going to take, you know, three times as long.

9 MR. O.J. PENA: How to we cross-examine a
10 demonstrative piece of evidence, Your Honor? We can't, so
11 they are converting inference into evidence and depriving us
12 of our right to cross-examine, Your Honor.

13 THE COURT: All right, time out. And I think
14 that's what they're saying, counsel. You've made an
15 objection; the Court finds it's a valid objection. They're
16 willing to play every single tape that would end up on that
17 demonstrative, but you're saying right now, this is what I'm
18 understanding from both of you, there's no objection on the
19 record, you don't want them to go back on these BCTs that
20 have already been published, but on future ones you do want
21 them to play every single tape that supports whatever
22 happens to be on the demonstrative.

23 Am I understanding you all correctly?

24 MR. O.J. PENA: Yes, Your Honor, and they're
25 making it sound like, "Okay, but now be careful what you

1 wish for," but, Your Honor, this is what I would expect the
2 Government would do.

3 THE COURT: Right, right, right. We don't have
4 to spend time on that. That's fine. Nobody is saying
5 otherwise. They're all in evidence as you all know. They
6 don't have to play every single one, but what I'm hearing
7 from you, if they're going to put a summary demonstrative
8 chart up at the end, that at least on those aids, that they
9 should play all those calls that backup everything on those.

10 Are we on the same page?

11 MR. O.J. PENA: Yes, Your Honor.

12 THE COURT: Okay.

13 MR. SCOTT MCCRUM: Actually, that was my
14 objection with number 1. Should we go back to 1?

15 MS. WILLIAMSON: You tell me.

16 MR. SCOTT MCCRUM: There are no calls in No. 1.

17 THE COURT: All right. The Record has no humor.
18 That was a joke from Mr. Scott McCrum. He's not really
19 raising an objection.

20 MS. WILLIAMSON: And a joke from Ms. Williamson.

21 THE COURT: All right. Okay.

22 MS. WILLIAMSON: And Your Honor, I have
23 additional demonstratives with one final one forthcoming
24 from the printer.

25 THE COURT: Well, you know, and I guess,

1 Mr. Moreno, you said this is really going to prolong things
2 and delay everything. I can't imagine you're going to have
3 demonstratives for every single transaction, right?

4 MS. WILLIAMSON: No.

5 THE COURT: Or call? Well, maybe transaction. I
6 don't know how many transactions there are. But calls?

7 MS. WILLIAMSON: We are not presenting
8 demonstratives for all 41 bulk cash transactions in this
9 investigation.

10 THE COURT: Okay, so we should be fine then. All
11 right.

12 MS. WILLIAMSON: I'm going to hand the rest of
13 these printouts to defense counsel and then I request just a
14 minute to organize my own papers.

15 THE COURT: That's fine.

16 (Pause in the proceedings.)

17 MS. WILLIAMSON: And I'm just going to test the
18 double stickies and make sure we're all covered.

19 THE COURT: Okay, that's fine.

20 MS. WILLIAMSON: How is that?

21 MR. O.J. PENA: I'll not ahead of time that they
22 all say Mexico at the bottom corner and I'm not sure exactly
23 how that fact is going to be proven.

24 THE COURT: All right. I can't see the bottom,
25 the U.S. and the Mexico side.

1 What evidence do you have of that? Well, I mean
2 the U.S. speaks for itself.

3 MR. MORENO: They mentioned that at their
4 openings. They've all talking about the money, not the
5 evidence. Had a broker in Mexico, right in --

6 MS. WILLIAMSON: Officer Lozano testified at the
7 beginning of his testimony that they identified Tio Polo as
8 a Mexican peso broker.

9 THE COURT: They did.

10 MR. BALLI: But I guess the objection is how are
11 we identifying that it's getting to him not that he's a
12 broker.

13 MALE SPEAKER: From the beginning of this.

14 MS. WILLIAMSON: That's a phone call.

15 THE COURT: That's a phone call.

16 MS. WILLIAMSON: That's what the phone is.

17 MR. O.J. PENA: Right, but the U.S. and Mexico
18 denote geography, Your Honor, not nationality.

19 THE COURT: Right.

20 MS. WILLIAMSON: Yes.

21 MR. O.J. PENA: And so --

22 THE COURT: They've testified that he's in
23 Mexico.

24 MR. O.J. PENA: That he's in Mexico? They've
25 testified that he is in Mexico?

1 THE COURT: That's my understanding. I will tell
2 all of you, gets these demonstrative aids to each other a
3 day in advance and if we're going to debate them, we're
4 going to do so at 7:30 a.m. every day before we bring in the
5 jury because this is a waste of time for the jury. But I'm
6 not blaming you all, I know you all got them today. I'm
7 just telling everybody we've got to deal with this in a
8 different or we will never get done.

9 All right. Are we ready?

10 MS. WILLIAMSON: Yes, thank you.

11 THE COURT: All right. Let's bring the jury up.

12 THE CLERK: Rise for the jury.

13 (Jury enters the courtroom at 4:01 p.m.)

14 THE COURT: All right. Thank you, ladies and
15 gentlemen. It's 4:00 o'clock. We're going to work for one
16 more hour. You get tomorrow off and, you know, we'll come
17 back on Monday but we've got one more hour today. Thank
18 you.

19 DIRECT EXAMINATION OF FRANCISCO LOZANO (RESUMED)

20 BY MS. WILLIAMSON:

21 Q. Frankly, I don't recall whether we discussed
22 Exhibit 45A or not, so let's take a quick look at it to err
23 on the side of caution.

24 Could you flip through to 45A, Officer Lozano?

25 A. Okay.

1 Q. What is it?

2 A. It's a receipt from El Reino.

3 Q. And did you receive that receipt as part of your
4 investigation?

5 A. Yes.

6 Q. Who gave it to you?

7 A. Corina Blake.

8 Q. And was that in the context of BCT-5, which we
9 were discussing before the break?

10 A. Yes.

11 MS. WILLIAMSON: Could be put Exhibit 45A up for
12 the jury, please?

13 BY MS. WILLIAMSON:

14 Q. Is the amount on the receipt consistent with the
15 amount of money that Ms. Blake was delivering to El Reino?

16 A. Yes.

17 Q. And was that on April 27th, 2012?

18 A. Yes.

19 Q. Very well.

20 MS. WILLIAMSON: Thank you. We can take that
21 down.

22 BY MS. WILLIAMSON:

23 Q. Let's move on to BCT-6. Directing your attention
24 to Exhibit 66A, do you recognize it?

25 A. Yes.

1 Q. What is it?

2 A. It's an intercepted call between Adriana Galvan-
3 Constantini and Ippolito Ochoa-Rivera.

4 Q. And turning to the front page of the exhibit,
5 what's the date of that phone?

6 A. May 3rd, 2012.

7 MS. WILLIAMSON: Could we play 66, please?

8 (Exhibit 66, a recording, was played to the Court and
9 jury.)

10 MS. WILLIAMSON: Is there a second clip?

11 (Exhibit 66, clip 2 recording, was played to the Court
12 and jury.)

13 BY MS. WILLIAMSON:

14 Q. Based on your investigation, were you able to
15 identify any codewords in this call?

16 A. Yes.

17 Q. Was "Teacher" one of them?

18 A. Yes.

19 BY MR. O.J. PENA: Your Honor, Your Honor, I
20 object on hearsay.

21 THE COURT: Overruled.

22 BY MS. WILLIAMSON:

23 Q. Were you able to determine who or what the
24 "Teacher" referred to?

25 A. Yes.

1 Q. Who was that or what was that?

2 A. At that point of the investigation, we had
3 determined the name, the alias, Teacher, belonged to a pilot
4 that Adriana Galvan-Constantini used.

5 Q. And what about Secretary Carolina?

6 A. That was a codeword used to describe North
7 Carolina.

8 Q. What about Aunt Carrito?

9 A. It was also within the same, North Carolina?

10 Q. What about references to various floors of
11 buildings? That call had the fifth floor to the seventh
12 floor and it also had the second floor.

13 Did that mean anything?

14 A. Yes, the way that Ippolito Ochoa described it, it
15 was referencing 500,000 for the fifth floor and so for the
16 second floor, it was also 200,000.

17 Q. So, for each additional floor, the codeword
18 attended an additional \$100,000?

19 A. Correct.

20 Q. What about the sexy girl?

21 A. The sexy girl, since it sounds similar to
22 Chicago, they would say "chica guapa."

23 Q. And so, is sexy girl in the translation a
24 codeword for Chicago?

25 A. Yes.

1 Q. So, what was the interpretation in the context of
2 your investigation about what it meant to have a ride with a
3 sexy girl?

4 A. That meant that there was money available in
5 Chicago.

6 Q. And directing your attention now to Exhibit 69A,
7 do you recognize it?

8 A. Yes.

9 Q. What is it?

10 A. A conversation between Gabriel Arturo Castillo
11 and Adriana Alejandra Galvan.

12 Q. And turning to the front page of that exhibit,
13 what's the date?

14 A. May 3rd, 2012.

15 MS. WILLIAMSON: Could we play Exhibit 69,
16 please?

17 (Exhibit 69, a recording, was played to the Court and
18 jury.)

19 BY MS. WILLIAMSON:

20 Q. That's two calls in a row with a reference to
21 "cousin" or "little cousin" or "cuz." Was that a nickname
22 that you became familiar with?

23 A. Yes.

24 Q. And in what context or to whom did it apply,
25 based on your investigation?

1 A. Within the organization, it was used to describe
2 each other.

3 Q. Was there any particular person who was regular a
4 female cousin that is a "Prima" in Spanish?

5 A. Yes, Adriana was the female cousin.

6 Q. Now, directing your attention to Exhibit 71A, do
7 you recognize it?

8 A. Yes.

9 Q. What is it?

10 A. A conversation between Adriana Galvan-Constantini
11 and Luis Montes-Patino.

12 Q. And did you become aware of any relationship that
13 they had?

14 A. They were a couple.

15 Q. Were they also both engaged in a business
16 relationship?

17 A. Yes.

18 Q. Were they also both engaged with your -- did your
19 investigation identify them both as subjects of the
20 investigation?

21 A. Yes.

22 Q. And what did you come to identify Mr. Montes-
23 Patino's role as?

24 A. As a money courier.

25 Q. And did you become familiar with who Mr. Luis

1 Montes-Patino is?

2 A. Yes.

3 Q. Do you see him in the courtroom today?

4 A. Yes, I do.

5 Q. Will you identify him based on where he's sitting
6 and something he's wearing?

7 A. He's on the far right table at the bottom left.
8 He's wearing a black jacket with a possibly a light blue
9 shirt.

10 MS. WILLIAMSON: Your Honor, will the Record
11 reflect the witness has correctly identified Mr. Montes-
12 Patino?

13 THE COURT: Yes.

14 (Defendant Montes-Patino identified.)

15 MS. WILLIAMSON: And now, can we play the audio
16 of Exhibit 71, please? I believe there are two clips.

17 (Exhibit 71, a recording, was played to the Court and
18 jury.)

19 BY MS. WILLIAMSON:

20 Q. There a reference in that conversation to
21 Mr. Montes-Patino asking Ms. Galvan-Constantini, "Have you
22 boarded yet?" Did that mean anything to you in the context
23 of this investigation?

24 A. The question was if she had boarded an airplane.

25 Q. Did you become aware of where she was going?

1 A. Yes.

2 Q. Where was she going?

3 A. At this point in time, I believe it was to
4 Chicago.

5 Q. To like "chicas guapas?"

6 A. Yes.

7 Q. And directing your attention to 72A, do you
8 recognize it?

9 MS. WILLIAMSON: Oh, actually, I beg your pardon.
10 Let's pause for a moment because there's a second clip of
11 Exhibit 71, isn't there?

12 (Exhibit 71, second clip of a recording, was played to
13 the Court and jury.)

14 BY MS. WILLIAMSON:

15 Q. Based on your investigation, what would they be
16 referring to when they say they're going to "deposit" in
17 this call?

18 A. Deposit some of the money that was to be picked
19 up in Chicago.

20 Q. And deposit in hours, what is that?

21 A. Just trying to go back to that section. In their
22 bank account.

23 Q. And now directing your attention to Exhibit 72A,
24 so we can follow this even through. Do you recognize it?

25 A. Yes.

1 Q. What is it?

2 A. It's a call between Adriana Galvan and an
3 unidentified male.

4 Q. And what's the date on that call?

5 A. May 8th, 2012

6 MS. WILLIAMSON: Could we play the audio, please,
7 of Exhibit 72?

8 (Exhibit 72, a recording, was played to the Court and
9 jury.)

10 BY MS. WILLIAMSON:

11 Q. Based on your investigation, what's going on at
12 this point of BCT-6?

13 A. They're setting up a place to meet. Adriana
14 Galvan is setting up a place to meet with an unidentified
15 male in Chicago.

16 Q. Do you know what they were intending to do at
17 that meeting?

18 BY MR. O.J. PENA: Your Honor, it's an
19 unidentified male, Your Honor. May I take the witness on
20 voir dire? Only because it's an unidentified male, Your
21 Honor.

22 THE COURT: Yes, sir. Go ahead.

23 MR. O.J. PENA: Now?

24 THE COURT: Yes.

25 MR. O.J. PENA: Yes, all right.

1 VOIR DIRE EXAMINATION OF FRANCISCO LOZANO

2 BY MR. O.J. PENA:

3 Q. Agent Lozano, the male is unidentified to this
4 day, is that correct?

5 A. Correct.

6 Q. And so, am I right to assume that this was not
7 surveilled?

8 A. Correct.

9 Q. And they are talking about meeting in Chicago?

10 A. Correct.

11 Q. And you're assuming what they are meeting for,
12 aren't you?

13 A. Based on my experience, I determined that that's
14 what the meeting was going to be about.

15 MS. WILLIAMSON: Your Honor, perhaps the next
16 call will clear that up?

17 THE COURT: Okay, all right. Well then, let's
18 get to them.

19 MR. O.J. PENA: Well, Your Honor, if that's the
20 case, then I would ask that we do that before we have the
21 agent, Your Honor.

22 THE COURT: Yes, agreed.

23 DIRECT EXAMINATION OF FRANCISCO LOZANO (RESUMED)

24 BY MS. WILLIAMSON:

25 Q. Directing your attention to Exhibit 75A, do you

1 recognize it?

2 A. Yes.

3 Q. What is it?

4 A. A call between Adriana Galvan and Luis Montes-
5 Patino.

6 Q. What's the date of that call?

7 A. May 8th, 2012.

8 MS. WILLIAMSON: Could we play Exhibit 75,
9 please?

10 (Exhibit 75, a recording, was played to the Court and
11 jury.)

12 BY MS. WILLIAMSON:

13 Q. You previously testified that "documents" was a
14 codeword for cash delivery and "papers" is part of this
15 transaction. Did "papers" mean anything to you in the
16 context of this investigation?

17 A. It also meant money.

18 Q. So, in context, what is the subject of this
19 discussion when Ms. Galvan says she received the papers?

20 A. That she received the cash that she was in
21 Chicago for.

22 Q. And looking at the timestamp on the transcript
23 for Exhibit 72A and the timestamp for the 75A transcript,
24 about how much time had passed between when Ms. Galvan was
25 arranging a meeting and when Ms. Galvan acknowledge to

1 Mr. Patino she had picked up what the describes as the
2 papers?

3 A. Approximately three hours.

4 Q. So, based on your investigation and the calls
5 available to you, were you able to determine what Ms. Galvan
6 was really describing in the phone call we just listened to?

7 BY MR. O.J. PENA: Your Honor, I'm objecting.
8 Your Honor, it's a connection. I understand the timing.
9 The connection is --

10 THE COURT: Counsel, approach. Approach.
11 Approach the bench.

12 MR. O.J. PENA: Yes, I'm sorry, Your Honor.

13 (Bench conference begins at 4:26 pm.)

14 MR. O.J. PENA: Your Honor, it's a pattern that
15 the Government has engaged in. And I know that it sounds
16 like I'm being very nitpicky about this, Your Honor, but I
17 feel I need to put an end to this pattern of where they're
18 just saying whatever they want to say.

19 THE COURT: First of all, they're not doing that.
20 There's very specific calls that have been played, your
21 client is on these calls. Give me a specific objection.

22 MR. O.J. PENA: He's using the word "determine."
23 The question is how did you determine what that previous
24 phone call was, Your Honor. And I don't believe that you
25 have enough there to determine what that phone call was

1 about. They don't mention anything about drugs, they don't
2 mention anything about money. There's four hours apart.
3 That phone call --

4 THE COURT: Three hours.

5 MR. O.J. PENA: Three hours apart. That phone
6 call could have been about anything and she could have
7 (indiscernible).

8 THE COURT: Drug money when drug has not been
9 involved. She's just saying, based on this, what is the
10 meaning of that. To pick up money. That's supported by
11 both these calls.

12 MR. O.J. PENA: I just don't think it's supported
13 by the first one. It may be supported by the second one --

14 THE COURT: Right, and you objected. I let you
15 take him on voir dire and then the Government played the
16 second call and now he's giving his opinion.

17 And now on the
18 second call, it is supported so what's your objection?

19 MR. O.J. PENA: On the second call, Your Honor, I
20 understand that but the Government asked for a determination
21 after the first call.

22 THE COURT: I know, sir, but I stopped that. You
23 got to fast forward. I stopped that, I didn't allow them to
24 do that. I let you do the voir dire, he didn't give an
25 opinion, they played a second call. So, what's your

1 objection now? You've got the help me understand.

2 MR. O.J. PENA: The objection is that I still
3 don't believe they have made the connection. I believe that
4 that first call still could be about anything and the
5 objection is also -- that's the specific objection, Your
6 Honor.

7 THE COURT: Yes.

8 MR. O.J. PENA: The broader objection is that the
9 Government is getting in the habit of getting way ahead of
10 themselves, Your Honor, and they are --

11 THE COURT: Okay, I'm going to disagree with you.
12 That's a very broad generalization. These are specific
13 calls, your client is on them, he's providing an opinion.
14 If you think that thing is not supported by the call, please
15 object. Take them on voir direct and do what you did, but
16 I'm going to overrule your objection.

17 MR. O.J. PENA: I understand, Your Honor. And I
18 also understand that I have an opportunity to pick this up
19 on cross-examination.

20 THE COURT: Absolutely.

21 MR. O.J. PENA: And I understand the role of
22 cross-examination, Your Honor, but -- I think I've said that
23 I want to.

24 THE COURT: Thank you.

25 (Bench conference ends at 4:29 p.m.)

1 BY MS. WILLIAMSON:

2 Q. Again, Officer Lozano, in the context of your
3 investigation and considering Exhibit 72 and Exhibit 75 that
4 we just listened to, which occurred, as you said, three
5 hours apart, what was going on?

6 A. Money pick up was being conducted by Adriana
7 Galvan in Chicago.

8 Q. And then, as far as what happened to that money,
9 did the calls lead you to understand what happened to the
10 money?

11 A. Yes.

12 Q. What was that?

13 A. The money was put into banks.

14 Q. Let's look at Exhibit 77A, please. Do you
15 recognize it?

16 A. Yes.

17 Q. What is it?

18 A. It's a call between Adriana Galvan and Luis
19 Montes-Patino on May 8th, 2012.

20 MS. WILLIAMSON: Could we play - I believe
21 there's two clips. Could we play the first one, please?

22 (Exhibit 77, the first clip recording, was played to
23 the Court and jury.)

24 BY MS. WILLIAMSON:

25 Q. So, now adding that call into the mix, were you

1 able to determine what Ms. Galvan was doing after she picked
2 up the money?

3 A. She was structuring the money into different bank
4 accounts.

5 Q. What do you mean by that?

6 A. As I described earlier, the structuring is
7 putting money into bank accounts in \$10,000 or less to avoid
8 reporting requirements by the bank and identifying the
9 person that made the deposit into the account.

10 Q. And now, could we turn to Exhibit 78A, please?
11 Do you recognize it?

12 A. Yes.

13 Q. What is it?

14 A. It's a call between Luis Montes-Patino and
15 Adriana Galvan on May 8, 2012.

16 MS. WILLIAMSON: And could we play Exhibit 78,
17 please?

18 (Exhibit 78, a recording, was played to the Court and
19 jury.)

20 BY MS. WILLIAMSON:

21 Q. Based on your investigation, were you able to
22 determine or were you able to determine what Ms. Galvan was
23 communicating?

24 A. The arrival time for her flight back to Dallas.

25 Q. Was that on the same day that she went to

1 Chicago?

2 A. Yes.

3 Q. All these phone calls were May 8th, 2012?

4 A. Yes.

5 Q. Now, directing your attention to Exhibit 79A, do
6 you recognize it?

7 A. Yes.

8 Q. What is it?

9 A. It's a call between Adriana Galvan and Andre
10 Arturo De Leon on May 9th, 2012.

11 Q. And who is Andre De Leon?

12 A. He is the person we used an alias earlier as the
13 Teacher, the pilot that was used by this organization.

14 Q. And what's date on this phone call?

15 A. May 9th, 2012.

16 MS. WILLIAMSON: Could we play Exhibit 79,
17 please?

18 (Exhibit 79, a recording, was played to the Court and
19 jury.)

20 BY MS. WILLIAMSON:

21 Q. Just we're all tracking, May 9th is the day after
22 Ms. Galvan went to Chicago on May 8th, right?

23 A. Yes.

24 Q. Directing your attention to Exhibit 82A, do you
25 recognize it?

1 A. Yes.

2 Q. What is it?

3 A. It's a phone call between the operator and
4 Adriana Galvan-Constantini on May 9th, 2012.

5 Q. So, the same day that the pilot said that he was
6 trying to ring the doorbell?

7 A. Yes.

8 MS. WILLIAMSON: And could we play Exhibit 82,
9 please?

10 (Exhibit 82, a recording, was played for the Court and
11 jury.)

12 BY MS. WILLIAMSON:

13 Q. Did your investigation indicate that Ms. Galvan
14 was traveling again on May 9th?

15 A. Yes.

16 Q. Where?

17 A. To North Carolina.

18 Q. And directing your attention to Exhibit 84A, do
19 you recognize it?

20 A. Yes.

21 Q. What is it?

22 A. It's a call between Adriana Galvan and Andre De
23 Leon on May 9th, 2012.

24 MS. WILLIAMSON: Could we play Exhibit 84,
25 please?

1 (Exhibit 84, a recording, was played to the Court and
2 jury.)

3 BY MS. WILLIAMSON:

4 Q. Now, turning to Exhibit 89A, do you recognize it?

5 A. Yes.

6 Q. What is it?

7 A. It's a call between Patricia, last name unknown,
8 and Adriana Galvan on May 10th, 2012.

9 MS. WILLIAMSON: Could we play Exhibit 89,
10 please?

11 (Exhibit 89, a recording, was played to the Court and
12 jury.)

13 BY MS. WILLIAMSON:

14 Q. What the date on what phone call, Officer Lozano?

15 A. It was May 10th, 2012.

16 Q. And as far as you know, is North Carolina one
17 hour later or one time zone over from Dallas, Texas?

18 A. Yes.

19 Q. So, is this call consistent with Ms. Galvan being
20 in North Carolina?

21 A. Yes.

22 Q. Directing your attention to a new binder, which I
23 will bring you.

24 Directing your attention to Exhibit 111A, do you
25 recognize it?

1 A. Yes.

2 Q. What is it?

3 A. A call between Adriana Galvan and Ippolito Ochoa-
4 Rivera.

5 Q. And what's the date on it?

6 A. May 10th, 2012.

7 MS. WILLIAMSON: Could we play Exhibit 111,
8 please?

9 (Exhibit 111, a recording, was played to the Court and
10 jury.)

11 BY MS. WILLIAMSON:

12 Q. During the course of your investigation, did you
13 learn what geographic was home to Ms. Galvan?

14 A. It was in Dallas.

15 Q. And you testified previously that Ms. Galvan had
16 the nickname Prima or Primita, Cousin or Little Cousin.
17 Female Cousin, obviously.

18 A. Yes.

19 Q. We saw Primo in this conversation. Was there
20 someone who was regularly referred to as the male cousin?

21 A. Yes.

22 Q. Who's that?

23 A. That is Luis Montes-Patino.

24 Q. And what's the time of that phone call?

25 A. It is on May 10th, 2012 at 2:45 p.m.

1 Q. So, given what you just described about who the
2 Primo is and what had been happening on May 9th and 10th,
3 who was Ms. Galvan waiting for who would arrive around 7:00
4 or 8:00 p.m.?

5 A. On Luis Montes-Patino.

6 Q. And based on all of these calls that we've just
7 heard discussing various travel plans and geographic
8 locations, did you do any follow-up with other law
9 enforcement agencies in your investigation?

10 A. Yes.

11 Q. What was that?

12 A. We first identified the location where the plane
13 that was being used, where it took off from and through the
14 course of the investigation, we noticed that the plane was
15 landing at very small airfields that led up all the way to
16 North Carolina and then at the same time through the
17 investigation, saw the airplane coming back.

18 And so we reached out to DEA in the Dallas area
19 to conduct an interrogation of the subjects whenever they
20 arrived to the Dallas area airport.

21 Q. To the best of your knowledge without getting
22 specifics, did the Dallas DEA made contact with Mr. Montes-
23 Patino that evening?

24 A. Yes.

25 MS. WILLIAMSON: Court's indulgence, Your Honor?

1 THE COURT: It's fine.

2 (Pause in the proceedings.)

3 BY MS. WILLIAMSON:

4 Q. Are you aware of what airport the plane you were
5 tracking eventually landed at?

6 A. It was Sphinx Airport.

7 Q. And is that close to a particular metropolitan
8 region?

9 A. The Dallas-Fort Worth area.

10 Q. And with reference to what's still on the screen
11 there, where it says, "Tomorrow you're going to see your
12 cousin, right? Your aunt?" in context, do you know who the
13 aunt is in your investigation?

14 A. Yes.

15 Q. Who's that?

16 A. That is our Confidential Source, Corina Blake.

17 MS. WILLIAMSON: Your Honor, we're close to
18 5:00 p.m. This might be a good stopping point for the
19 testimony.

20 THE COURT: Okay, that's fine.

21 MS. WILLIAMSON: Thank you, Your Honor.

22 THE COURT: All right. Ladies and gentlemen, we
23 are going to go ahead and break. I am going to release you
24 for the long weekend. And in case you're wondering, we will
25 be working next Friday but this week, the way it played out,

1 we're not going to continue with the trial tomorrow.

2 Those of you that are able to go back to work
3 tomorrow, feel free to do so, but remember all of the
4 instructions that I've been giving you throughout the trial,
5 the concepts that we discussed in voir dire, don't talk to
6 anybody, don't let anybody talk to you about the case, don't
7 do any research, don't go to any of these locations, don't
8 go on social media and post anything.

9 And you know, I know that your family and others
10 may ask you, you know, what you're up to and it's okay to
11 say, "I've been selected to serve as a juror, I'm in federal
12 court," but beyond that, just say, "The judge instructed us
13 not to talk about the case," and leave it at that and, you
14 know, if you tell them that, I'm sure they will respect
15 your representations.

16 Let's start us again Monday at 8:30 and I guess
17 I'll say let's be in the room by 8:30 so that we can get
18 started. If all of you are here by 8:30, we can get started
19 right at 8:30. And if not, we'll start around 8:45, but be
20 in this room by 8:30 a.m. Monday. Does anybody have any
21 questions about my instructions? Any concerns?

22 (No audible response.)

23 THE COURT: Everybody has -- I guess no, no
24 questions. No.

25 All right, counsel. Any additional instructions

1 for the jurors before I release them to come back Monday?

2 (No audible response.)

3 THE COURT: All right, nothing additional from
4 the lawyers.

5 Thank you, ladies and gentlemen.

6 THE CLERK: All rise.

7 THE COURT: You can go ahead and take your
8 notebooks. Leave them in the room. We'll lock it up.

9 (Jury exits the courtroom at 4:50 p.m.)

10 (Outside the presence of the jury.)

11 THE COURT: All right, the jury has exited the
12 room. Let me go ahead and spend a little bit of time
13 talking to all of you specifically regarding the
14 demonstratives.

15 How many other demonstratives are there,
16 Government?

17 MS. WILLIAMSON: We have similar charts for
18 BCT-6, 8, 10, 19, 22, 27 - 8 more demonstratives of this
19 nature, Your Honor.

20 THE COURT: Okay, and I trust that you've prepared
21 them?

22 MS. WILLIAMSON: Yes, Your Honor, and we've given
23 them to defense except for 19 which I think one of our legal
24 assistants has to pass out now.

25 THE COURT: Okay, all right.

1 So then, defense, you will have all the
2 demonstratives. You'll have Friday, Saturday, Sunday to
3 review them. These are my instructions to all of you: If
4 you think you're going to have objections to them,
5 communicate that to Ms. Trevino, copy the Government and we
6 can come in extra early on Monday so that we can field all
7 those objections.

8 But I guess what I will say, Government, the main
9 issue seemed to be that there were inferences that were
10 being drawn on the demonstratives of items -- not that they
11 aren't in evidence and so I think that that's an important
12 caveat -- but that the jury could possibly be confused
13 because this agent hadn't talked about those items.

14 And so, seems to me one of the best ways to avoid
15 any objection from counsel is to make sure that before you
16 ask to publish the demonstrative (electronic noise) -- I
17 don't know what that. Before you ask to publish those
18 demonstratives, that everything on there had been presented
19 to the jury.

20 MS. WILLIAMSON: And I hope I've demonstrated with
21 BCT-6 that we are certainly willing to play as many calls as
22 necessary in order to get those points across.

23 THE COURT: Right.

24 Okay. So, defense, do you all -- can you all
25 think of anything else? I mean, if it's done that way, is

1 it possibly going to work?

2 MR. O.J. PENA: Your Honor, the Government can try
3 their case whichever way they want to. If they want to play
4 these phone calls, then I guess they're going to do it. I
5 can't necessarily stop them from doing it, but it seems to
6 me that the jury now knows that there is a phone tap, an
7 intercept and that the Government agent is collecting
8 information from that intercept--

9 THE COURT: Yes.

10 MR. O.J. PENA: And I would think that the
11 Government would need to think about why is it necessary to
12 listen to every single phone call --

13 THE COURT: Counsel, they're doing so on these
14 particular exhibits because you all are saying that they
15 can't publish them unless they play them first.

16 MR. O.J. PENA: No, that's not what I was saying,
17 Your Honor. What I was saying was that there has to be
18 proper testimony or evidence. I mean testimony in evidence.
19 I mean, I'm not requiring that it be the phone call, but
20 they were getting ahead of themselves, even in the
21 testimony. They weren't providing the testimony and they
22 were getting the inference.

23 And then the other thing is, Your Honor, and I
24 will mention this. There's a difference between
25 determination and conclusion and the Government is asking

1 questions of this witness and eliciting conclusions, but
2 using terminology as if they are fact and it is confusing to
3 the jury and it is forcing me to stand up every time. And
4 every time the question is, "And did you determine what
5 happened in that city 2,000 miles away where you weren't
6 surveilling and you weren't there, based on this phone call
7 that lasted a minute that had nothing but codewords in it?
8 Were you able to determine what happened?" And I think that
9 it is more accurate to say, "Based on your experience, do
10 you have an opinion as to what was going on here?"

11 THE COURT: Okay, so let me stop you right there.

12 Can you do that? Based on everything we just
13 heard and we see on there, what is your opinion?

14 MS. WILLIAMSON: As long as it's not limited to
15 his experience but his experience in combination with the
16 evidence.

17 THE COURT: Of course. I think what he is
18 struggling with, and correct me if I'm wrong, is the term
19 "what did you determine," versus, "what is your opinion."

20 MS. WILLIAMSON: Sure.

21 THE COURT: Are we right? Are we on the same page
22 on that?

23 MR. O.J. PENA: Yes, yes. Yes, Your Honor, that
24 crystalizes it. It's presenting conclusion as if it were
25 fact and --

1 THE COURT: Okay. Well then, you've won that
2 point. Got it. All right. You're right on that.

3 All right. Now, the other thing you had said
4 though as far as I don't know that they necessarily have to
5 play every single tape, they can testify to it, but the
6 thing is, if there's not that kind of evidence and the
7 evidence is the tape, then based on the objection that you
8 have lodged, that's the only way that they can do that.

9 Are we on the same page on that?

10 MR. O.J. PENA: Well, no, Your Honor. I think
11 that they can identify the exhibit that is being referenced
12 and they can then say, "based on my opinion of Exhibit 89, I
13 determined or rather -- not determined, but rather I, in my
14 professional opinion as an experienced law enforcement
15 agent, I concluded that they were arranging a meeting in
16 Chicago --

17 THE COURT: I'm sorry. Isn't concluded another
18 word you were trying to avoid? Determine and concluded?

19 MR. O.J. PENA: Well, a conclusion is a result of
20 taking these premises and forming a logical conclusion but
21 that's not the same thing as stating, "This is what
22 happened. I saw it happen. The sun is going to rise
23 tomorrow morning at" --

24 THE COURT: I'm sorry. We're past that one. I
25 don't want to go off on a tangent.

1 Okay. So, what you're saying is you would be
2 satisfied -- I guess I have to hear from everyone else --
3 but you would be satisfied if they said to check off the
4 list, "Have you reviewed Exhibit 150, 160, 170, 180," "Yes,
5 I have," and then at that point, they wouldn't have to play
6 those tapes, if they didn't want to play the tapes. And I
7 mean they, the Government. And then at that point, the
8 demonstratives could come in and all of that is in evidence
9 and the jury would listen to those later on if they want.

10 MS. WILLIAMSON: And Mr. Pena --

11 MR. O.J. PENA: Well, I mean, I think that --

12 THE COURT: Yay or nay?

13 MR. O.J. PENA: Well, yes. However, it would be
14 nice to say, "Based on what in that phone call?" "Oh, well,
15 the use of the word Prima and the fact that there was a
16 location identified in Chicago."

17 THE COURT: Right, but then I guess the way it
18 would go -- and I'm seeing the other lawyers going "no," and
19 I'll hear from them but the way that would go is, "okay,
20 look at Exhibit 160," "all right, "What terminology's in
21 there," "Well, they use the term Primo and Primo and
22 whatever," and then go to the next one, what terms do they
23 use there. They use whatever and whatever. I don't know, I
24 don't know. I don't know what to do with that.

25 MR. O.J. PENA: Yes, Your Honor. You know what?

1 I'll withdraw that part of it, Your Honor, and if they want
2 to play all those phone calls, they can play the phone
3 calls.

4 THE COURT: Well, I don't think they want to. I
5 think that they're in evidence -- and the more I thought it
6 as this was all going on, it's in evidence and, you know, he
7 did say he's reviewed everything, but I'm trying to work
8 with you all on we don't want things up there that the jury
9 hasn't heard, even though they're going to hear about it
10 later. So, I'm working with you on the timing of things
11 because it's admissible, it's already in evidence so that's
12 not really the issue, but let me hear from Mr. Balli or
13 Scott McCrum, since you all are standing up.

14 MR. BALLI: I have nothing, Your Honor. I'm just
15 stretching my legs.

16 THE COURT: You're stretching? All right.
17 Mr. Scott McCrum?

18 MR. SCOTT MCCRUM: I don't like listening to and
19 don't want to listen to those calls or any of that either,
20 Judge, or spend more time than we have to, but I think
21 there's got to be some foundation for it.

22 THE COURT: I understand, but the thing is, if
23 that happens to be the only foundation, that's the way it's
24 going to have to be done and I'm okay with that. I don't
25 have any problem. I don't want you all to think that I do.

1 Like I said, if this trial lasts a month, it lasts
2 a month. The only thing I'm saying is that, if we're going
3 to have debates about exhibits and all of that, I just don't
4 want to have them in the room, the jury in the room while
5 we're having these debates because that's just not a good
6 use of their time. And so, if we have to have that, that's
7 fine. We will. But we'll come in earlier, we'll stay late,
8 or we'll do whatever we need to do.

9 MR. SCOTT MCCRUM: If you want to keep going
10 around the room. Maybe on a majority room we can --

11 MR. O.J. PENA: No, Your Honor, I've withdrawn
12 that part of the objection.

13 THE COURT: No, that's fine.

14 MR. O.J. PENA: I guess I'm frustrated because I'm
15 looking ahead into the future and I'm thinking to myself,
16 "what am I going to cross-examine," and so in that sense,
17 you're right, we play the phone calls --

18 THE COURT: Right.

19 MR. O.J. PENA: -- and then I will harken back to
20 the phone calls and say, "Well, you formed this conclusion
21 based on this terminology here and this terminology,
22 couldn't it have meant something else," and then we'll
23 address it in cross-examination.

24 THE COURT: And he's going say, "No, I didn't form
25 a conclusion, I just gave my opinion."

1 MR. O.J. PENA: Yes, Your Honor. That is correct,
2 Your Honor.

3 THE COURT: I don't know, I don't know. Okay.
4 I'm trying to work with you.

5 MR. O.J. PENA: I'm not trying to argue with you.

6 THE COURT: No, no. I know and I'm trying to work
7 with all of you and to understand what it is you're trying
8 to tell me so that I can make a decision.

9 All right. Michael McCrum, you're standing up.

10 MR. MICHAEL MCCRUM: Yes. Thank you, Judge.

11 What I'm very concerned with is allowing our
12 Government to convict people based on a summary witness. To
13 come in and just say, "Hey, I've reviewed all the evidence.
14 This is really what happened and so, find them guilty based
15 on that." I know other countries do that, but I'd like to
16 think that we're different and so, I think the evidence
17 needs to come in and that includes, frankly, when they ask,
18 "What do you think is going on here?" If it's something
19 that is not discernable to the fact finder, then maybe an
20 opinion is necessary and appropriate under our rules, but a
21 couple of these times -- and they're not affecting me so I'm
22 not saying anything -- but a couple of these times it's
23 pretty discernable what's going on and an opinion is
24 inappropriate because it's bolstering and it's allowing,
25 now, a conviction by a summary witness, by a man with great

1 experience and I have such great respect for his experience
2 when it's not the way to convict somebody and that's the
3 problem I've got with the type of evidence that the
4 Government is proposing to introduce.

5 THE COURT: Okay. And so, let me, I guess,
6 address your concerns in turn. If I thought that something
7 was completely discernable and obvious that an opinion would
8 not be warranted, I would intervene whether any of you
9 intervened.

10 MR. MICHAEL MCCRUM: Thank you.

11 THE COURT: I have not seen that.

12 MR. MICHAEL MCCRUM: Okay.

13 THE COURT: But if you think that one of these
14 transcripts, and again you guys have had them now since
15 March, does that, you know, object. You know, come up,
16 we'll talk about it and we'll see what I decide on that.

17 I think the second point you said was what?

18 MR. MORENO: Convicting by a summary witness.

19 THE COURT: Oh, by a summary witness. Yes,
20 absolutely. I mean, we're not going to allow that. So, I
21 agree with you. I think the evidence needs to come in and
22 if someone's going to give an opinion, it needs to be backed
23 up by the evidence before he's going to be allowed to give
24 an opinion. I think we're in agreement on that.

25 Anything else? Mr. Liddle?

1 MR. MORENO: Mine are easy.

2 MR. LIDDLE: Forgive me, Your Honor. I forget
3 exactly how we left this, but there were these phone call
4 spreadsheets in Exhibit 116 and 369 that I think the last
5 thing I remember Your Honor was going to look into something
6 about authenticating them. There was some discussion about
7 how we could possible authenticate them.

8 THE COURT: They were the toll records. What I
9 instructed all of you to do, especially the side that wants
10 to introduce them and the side that's objecting, is to do
11 your research and tell me why they come in and why there's
12 not problems.

13 So, did you all do that?

14 MR. LIDDLE: I don't think so. I didn't
15 remember --

16 MR. MORENO: We had a debate about what your last
17 instruction was and so.

18 THE COURT: And I can tell you that I did do my
19 own research but I think it should really come from the
20 proponent and the opponent. What does the case law say?
21 Why are you allowed to get it in? Why shouldn't they get it
22 in?

23 MR. O.J. PENA: And if I recall, it was the
24 automatic, sort of, --

25 THE COURT: It's the automatic.

1 MR. O.J. PENA: -- collection of information and
2 transmission as a compilation, --

3 THE COURT: Yes.

4 MR. O.J. PENA: -- as opposed to human being
5 sitting and writing it down.

6 THE COURT: It's the automatic, yes. That is
7 correct and I can tell you all that I've already found an
8 answer to it but, you know, I think that's part of the
9 problem in my court, that I think that lawyers get used to
10 me doing -- it's just not my job, it's your job.

11 So, you want it in, you don't want it in, let's
12 talk about it next week or whenever.

13 MR. O.O. PENA: Could I make an observation, Your
14 Honor?

15 THE COURT: Yes.

16 MR. O.O. PENA: We're talking about money
17 laundering, working with money that has been picked up in
18 connection with some drug deal. It goes into a stream of
19 movement where it eventually gets to the Government. The
20 Government takes control of it and they have the authority
21 to stop it there to keep it, and I think that at that point,
22 it loses its taint. It is no longer money produced by
23 drugs; it is money produced by the Government.

24 THE COURT: Mr. Pena, I'm sorry. I'm going to
25 stop you. I have a lot of respect for you, but that's just

1 not accurate. But please spend some time, you're welcome to
2 do research. Mr. Del Rio's there to work with you on --
3 that's just not accurate. If that was the case, I would
4 have dismissed the charges already myself if that was the
5 case.

6 MR. O.O. PENA: Like I said, Judge, an idea.

7 THE COURT: Okay. Thank you, sir.

8 All right, there was something else. All right,
9 Mr. Moreno?

10 MR. MICHAEL MCCRUM: Just two things. One, I
11 think -- and I'm verifying it -- that the copies of the
12 documents that Mr. Mike McCrum wanted should either be here
13 or on their way so that we can get those to him.

14 THE COURT: What happened yesterday? Did
15 you-all --

16 MR. MICHAEL MCCRUM: We narrowed it down to two
17 boxes. We found that there was about five or six actual
18 books of ledgers that had not been given to us in discovery
19 that were in the box that has been seized from our client's
20 business. We asked that we wanted copies of that, we want
21 scanned copies of that and that's, I think, what he's
22 referring to. There's another couple folders that had been
23 given to us but were completely illegible because of the
24 scanning, we asked for those as well.

25 THE COURT: All right. That's fine. I'm sorry,

1 anything else on that?

2 MR. MORENO: The only other thing was just was the
3 Court going to use the courtroom or do you want us to unplug
4 everything or can we leave it that way?

5 THE COURT: No. No, I don't have any settings
6 tomorrow. If anybody wants to leave your things here,
7 you're welcome to do so. We'll lock up.

8 All right. I did want to say something else.
9 Regarding the lineup of witnesses, what did you give them as
10 far as the lineup for today? Was it just Agent Lozano?

11 MR. MORENO: No, there were two other witnesses
12 that obviously we weren't going to get to so we'll move
13 them, well, now to Wednesday, Tuesday. It just depends on
14 how fast we go.

15 THE COURT: Safe to say Agent Lozano will take all
16 day Monday, I'm sure. Right?

17 MS. WILLIAMSON: I think so, Your Honor.

18 THE COURT: Okay, and then you had already given
19 them the names of two other witnesses after that?

20 MR. MORENO: Two others to follow and then
21 there's --

22 MR. LIDDLE: And Your Honor, this could change a
23 lot of the witnesses from now are traveling.

24 THE COURT: I understand.

25 MR. LIDDLE: And so we will give them, you know,

1 updates and we know but I forget what we gave you guys
2 yesterday, but it may change by Monday. I think that will
3 say the same.

4 (Several speakers at the same time.)

5 MR. LIDDLE: That will stay the same, I believe.

6 THE COURT: Okay, I think that's understood. I'm
7 sure you all are on an email chain and you can copy
8 Ms. Trevino on that particular portion of it. So, if
9 something changes, just let the lawyers know the day before,
10 "You know, this is the proposed lineup for tomorrow. These
11 people are now in town and this is what we're planning on
12 doing," so that they can prepare and get ready to cross-
13 examine.

14 MR. SCOTT MCCRUM: And I've got two out of state
15 witnesses, you know, not on my case-in-chief, Judge. I
16 think it's safe for me to not have them fly in next week.

17 THE COURT: I don't know, Mr. McCrum. Let's just
18 see how we go, but I mean, I don't know. We have a lot of
19 exhibits and most of them have been pre-admitted. I've
20 admitted thousands of defense exhibits. I don't know but
21 just gauging by this case, Government, what's your thought
22 as far as how much more time you think you'll take with your
23 witness -- your first witness?

24 MR. LIDDLE: Just with the Government?

25 THE COURT: Like your portion, how many more hours

1 do you think you'll take?

2 MS. WILLIAMSON: Half a day to a day, Your Honor,
3 with Officer Lozano.

4 THE COURT: Okay. And then, so, see that possibly
5 puts us into Tuesday and I'm sure they're going to take a
6 majority of the day on Tuesday.

7 MR. LIDDLE: I do, too.

8 THE COURT: No, and here's the thing, too. As
9 long as you all are not asking the same questions over and
10 over again, I'm not going to limit what you all are going.
11 I mean, you all are going to be able to Cross-examine as you
12 see fit and then we'll go back to Redirect and all of that.

13 The only thing that I ask from the objections and
14 all of that is number 1, really think about the legal
15 objection, be as concise as possible, don't repeat the same
16 thing over and over, and to the extent possible, let's do it
17 before the jury comes in and so forth.

18 So, if you all already know you want to debate
19 something, notify my staff and then we all come in earlier.

20 MR. MORENO: One last thing just to be sure, did
21 the Court say at one point when we were looking for one of
22 the transcripts that the Court is missing one of the
23 transcripts?

24 THE COURT: Apparently number 24, but it's fine.
25 I don't --

1 MR. MORENO: Well, no. I was going to say because
2 24 is the call, 24A is the transcript. I just want to make
3 sure you are missing the transcript.

4 THE COURT: I guess we were missing the
5 transcript, right?

6 THE COURT: Yes.

7 THE COURT: We were missing the transcript, but
8 don't worry about it. I don't need copies. I guess we have
9 our set. I needed them when I was making determinations on
10 admissibility, but that was the extent of my need for the
11 transcripts.

12 MR. MORENO: I just want to make sure that the
13 evidence set is complete.

14 THE COURT: Well, and that's a good point. You
15 referenced the folders there. That's going to be on you all
16 to make sure that everything is there and everything is
17 complete. Nobody's taking exhibits out of the courtroom,
18 nobody's writing on the originals, but you all are going to
19 have to check all of that. So, that's on all of the
20 lawyers.

21 Is there anything else that I can consider from
22 anyone?

23 Mr. McCrum?

24 MR. MICHAEL MCCRUM: Brief follow-up on the items
25 that I wanted copied yesterday, Judge, and I told Mr. Moreno

1 I was going to ask you to hear this. These are original
2 ledger books. I've told Mr. Moreno I want to either
3 introduce those as evidence or, at the very least, show the
4 jury these are the book forms or real forms of the
5 electronic versions. They're sealed, they're top secret,
6 Government now sealed documents or whatever and so there's
7 some difficulties in having there here or having them
8 transported or breaking chains of custody, but I want these
9 exhibits, Judge, the originals.

10 THE COURT: I'm sure you're being slightly
11 sarcastic when you say top secret because I'm sure they're
12 not top secret. I mean, these are their books, right?

13 MR. MICHAEL MCCRUM: It's more like treatment,
14 Judge, is the inference that I'm making, but I thought
15 inferences were okay in this courtroom.

16 (Laughter)

17 THE COURT: Do you all want to push me on that one
18 because I actually have been ruling in your favor on only
19 proper inferences.

20 MR. DEL RIO: Just to remind you.

21 THE COURT: And I'm sensing that, Mr. Del Rio.
22 Thank you.

23 MR. MORENO: I will tell the Court that, and Agent
24 Lozano can verify it, but there are some obstacles and I
25 think to convince their supervisors and their agencies to do

1 it this only because I told them there was a Court Order for
2 it because otherwise what they normally would have done was
3 to do a 48A form which basically released this out of their
4 custody but then one of us gets stuck with the exhibit
5 because they won't take it back once they get released
6 because they're not going to be responsible for --

7 THE COURT: Okay. What do I have to do to just
8 cut through all of this red tape? Tell me what do I need to
9 do.

10 MR. MORENO: They're here and he's already signed
11 the Form 12 to take custody of them. As far as we're
12 concerned, they're in his custody --

13 MR. MICHAEL MCCRUM: No, I turned it back last
14 night. I did do that, but I turned them back last night and
15 I signed a different form.

16 MR. MORENO: I believe last night (indiscernible).

17 THE COURT: Okay. So, we're going to make this
18 happen. I think what he is requesting is he wants to be
19 able to show the actual books to the jury and whether or
20 not, I doubt that we would send those to the back unless you
21 are asking at the end that we send those or copies are going
22 to be okay. I guess we'll cross that bridge when we get to
23 it but for the time being, just make sure that whenever they
24 tell you, tell them the day before, "It's going to be
25 tomorrow. Bring me the original." Then we're ready to go.

1 MR. MORENO: Can we take the rest of the boxes
2 back that's just notes?

3 MR. MICHAEL MCCRUM: Yes, sir. Yes, sir.

4 THE COURT: Everybody, same page so far?

5 MR. MICHAEL MCCRUM: On the rest of the boxes,
6 I'll get with you, Mr. Moreno, but I want to check with my
7 assistant on one thing because I didn't think of the ones
8 that are already into evidence. I didn't ask to see those
9 and if those are in different boxes, I may need you to get
10 those boxes as well, but we'll check.

11 THE COURT: Okay. Here's a question that I have
12 that you all, I guess, you're okay with, but they did say
13 there was these other books that were not produced in
14 evidence. Of course, these are the Defendant's own
15 documents though.

16 MR. MICHAEL MCCRUM: Yes.

17 THE COURT: Yes. Why were they not produced in
18 evidence?

19 MR. MORENO: Actually, we didn't have them either.
20 Apparently, what happened was when they first did them, and
21 he was showing me this last night there, the books that were
22 not copied had a sticker on them that said "IRS Copy" or
23 something and I think may the IRS did, but then all of that
24 was sent to the documents people, so they could just copy
25 everything and I think when they saw "IRS Copy" they figured

1 they've already been copied so they didn't scan those.

2 THE COURT: Okay.

3 MR. MORENO: And so, they left them all there.
4 They just didn't scan those that had the sticker that said
5 "IRS Copy."

6 THE COURT: Okay, and I'm not hearing them say,
7 "We're surprised," or anything like that. They're just
8 saying, "We want copies now."

9 MR. MORENO: Right.

10 THE COURT: And you've got the copies.

11 MR. MORENO: And so, they're bringing us a copy
12 and they're bringing them a copy.

13 THE COURT: All right. Anything else I can assist
14 any of you gentlemen and lady with?

15 (No audible response.)

16 THE COURT: No?

17 MALE SPEAKER: Thank you for the copy, Your Honor.

18 THE COURT: You're welcome.

19 MS. TREVINO: Are there issues we need to address
20 before 8:30?

21 THE COURT: I'm sorry. What?

22 MS. TREVINO: If there's any objections to address
23 before 8:30, what time do you want them so I can tell
24 them --

25 THE COURT: I think we could probably to that in

1 -- that's a good point.

2 Ms. Trevino is saying if you all do decide that
3 there's objections that you address, you know, Interpreters
4 have to be here so it's not as simple as we all show up, you
5 know, at 7:00 and we're ready to go. I guess I would say
6 8:00 a.m. So, you know, I think we could get this done
7 before 8:00 and 9:00 kind of thing, but I think with some of
8 these caveats and you all having the exhibits and all of
9 that that hopefully, it will not come to that but, you know,
10 if it does, it does.

11 All right. Any concerns from the Interpreters?
12 Anything you all want me to know?

13 (No audible response.)

14 THE COURT: No? All right. Everybody is saying
15 no.

16 MS. WILLIAMSON: Your Honor, could we request that
17 the court technology person be here Monday morning a few
18 minutes before we convene to make sure that we don't
19 encounter the problem on Monday that we had today?

20 THE COURT: No, that's fine.

21 MS. WILLIAMSON: Thank you.

22 THE COURT: I like how you did that. The court
23 technology person.

24 MS. WILLIAMSON: The wizard.

25 THE COURT: Yes, I hear you. He's actually here

1 right now if you need his help with anything. He's my
2 right --

3 MS. WILLIAMSON: No, Monday.

4 THE COURT: They're actually fine now.

5 MS. WILLIAMSON: Oh, can we come tomorrow?

6 MALE SPEAKER: Yes.

7 THE COURT: Are you here Monday?

8 MR. BLANCO: Yes.

9 THE COURT: This is Albert Blanco.

10 MS. WILLIAMSON: We could potential come tomorrow
11 if that would be --

12 MR. BLANCO: That would be good.

13 THE COURT: What time, Mr. Blanco?

14 MR. BLANCO: Anytime. I'll be here all day.

15 THE COURT: Okay.

16 MS. WILLIAMSON: I'll talk to you after we --

17 THE COURT: Right, you all can coordinate all of
18 that.

19 MS. WILLIAMSON: Thank you. Thank you, Your
20 Honor.

21 THE COURT: All right, everybody. Thank you.
22 Have a nice weekend. I'll see you Monday, God willing.

23 THE CLERK: All rise.

24 (Proceedings adjourned at 5:15 p.m.)

25 * * * * *

1 I certify that the foregoing is a correct
2 transcript to the best of my ability produced from the
3 electronic sound recording of the proceedings in the above-
4 entitled matter.

5 /S/ MARY D. HENRY

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